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Russia To Cuts Foreign Ministry Funds By Half

INTERFAX reports that at the 24 July government meeting acting Prime Minister Yegor Gaydar "declared...his intention to cut the currency financing of the Foreign Ministry in half." Foreign Minister Andrey Kozyrev was instructed "to prepare concrete proposals on reducing the staff of the Russian diplomatic missions abroad in two weeks", notes the report.

Russian Resolution on Chemical Weapons Published

ROSSIYSKAYA GAZETA publishes the Russian Supreme Soviet resolution on "Ensuring the Fulfillment of the Russian Federation's International Commitments in the Sphere of Chemical, Bacteriological (Biological), and Toxin Weapons," signed on 8 July. The resolution confirms "the Russian Federation's status as legal successor to the USSR's commitments" to a 1972 convention on biological weapons and bilateral U.S.-Soviet accords on this issue, as well as "the commitment to the policy of concluding a global convention on the prohibition of chemical weapons." According to the resolution, the Russian Government is to submit to the Supreme Soviet by 15 September 1992 "draft comprehensive programs for the phased destruction of chemical weapons and the utilization of the specialized biotechnological potential to organize the development and production of medical preparations."

Further Delay for New Russian Constitution

According to an ITAR-TASS report of a conversation with Constitutional Commission head Ivan Fedoseyev, the new Russian constitution will "most probably" not be adopted until a Congress of People's Deputies "early next year." The delay is due to the need for feedback to be received from "all districts of the federation" and because "the funds allocated for holding congresses this year have already been spent."

Protest Against Moldovan Government Held

Bucharest Radio reports that following a speech by Moldovan President Mircea Snegur, "scores of citizens started assembling...in front of the parliament building", including an "armed group of more than 100 volunteers, who are defending the Moldovan positions in the conflict zone of Cocieri and Cosnita, appeared." Anticommunist and antigovernment slogans were chanted, and members and followers of the Christian Democratic Popular Front rallied for reunification with Romania. INTERFAX notes that the protestors demanded the resignation of the new Prime Minister Andrey Sangeli and the government.

Russian Troops Withdraw From Byelarus

Radio Rossii reports that Russian forces began to withdraw from "the territory of the former Byelarusian Military District." Reports that departing military personnel are taking military property, harware, fuel, and food reserves were rejected as not corresponding to "reality."

Kazakh Officials Deny Nuclear Links With Iran

Tehran IRNA reports that the Kazakh Atomic Energy Agency said that "contrary to a report in the Russian daily IZVESTIYA last week the agency had not sent any atomic energy consultant to Iran." Valerin Schumanskiy, deputy managing director, stated that "the agency near Alma-Ata of Kazakhstan engaged solely in studies on nuclear physics", and that the reactor was being used "exclusively for scientific and peaceful purposes." He "discounted the technical capacity of any reactor center anywhere in the world to produce nuclear weapons."

Gadlet Batyrbekov, vice president of the Nuclear Physics Institute of Kazakhstan's Science Academy, stated that his institute had never undertaken "any project in the area of atomic weapons. He said that the atomic experts of the institute who had gone abroad could not possibly help other governments get access to atomic weapons because they did not have the necessary technical know-how."

Russia, Byelarus Nuclear Weapons Accord Viewed

OW2407123792 Moscow INTERFAX in English 1203 GMT 24 Jul 92

[Transmitted via KYODO]

[Text] The agreement between Byelarus and Russia on defence matters guarantees reliable coordination of all issues on the presence of nuclear weapons in Byelarus. The republican government circles single out as the main achievement just this point in the document, signed in Moscow on Monday [20 July] by the Premier Vyacheslav Kebich and the acting head of the Russian cabinet Yegor Gaydar. It's noted that until recently, secret codes to control nuclear missiles launch were in the Russian President Boris Yeltsin's hands in Moscow. A new system, as sources close to the Byelarusian Parliament's leader believe, makes it technically impossible to launch strategic missiles without a joint decision.

Although concrete terms for the withdrawal of Russia's strategic forces from Byelarus were not agreed in Moscow, the delegations noted at their meeting that they must not be longer than 7 years, as had been determined at the Lisbon conference. The documents signed in Russia are intended for only 5 years. They take effect after the ratification by both Parliaments.

Consent Needed To Use Weapons

LD2407163992 Moscow ITAR-TASS in English 1211 GMT 24 Jul 92

[By BELINFORM correspondent Valentina Menshikova for TASS]

[Text] Minsk July 24 TASS—"It is impossible to use nuclear armaments temporarily remaining on the Byelarusian territory without the consent of the republic", according to Byelarusian Defence Minister Pavel Kozlovski.

This provision is included into a treaty signed with Russia on July 20, he said at a meeting with British military attache on Friday [24 July].

The treaty also envisages that strategic nuclear arms, which are to be withdrawn from Byelarus in seven years according to the Lisbon agreement, will be eliminated only in Russia, he added.

The treaty is not a military pact between two states and it is not aimed against third countries, according to Kozlovski. The document confirms the principles and provisions enclosed in the U.N. Charter.

It envisages that in case of aggression against one of the parties the other one promotes legal and political settlement of the conflict. Byelarus and Russia will hold consultations and use internationally-acknowledged mechanisms of settlement in case of an attack or a threat of aggression against each of them, the minister explained.

Minister of Atomic Energy Holds Talks in U.S.

LD2407080792 Moscow Radio Rossii Network in Russian 1600 GMT 23 Jul 92

[Excerpt] Viktor Mikhaylov, Russian minister of atomic energy, has held talks in Washington aimed at involving U.S. companies in rendering assistance to Russia in converting nuclear materials used for military purposes into fuel for atomic power stations. The U.S. side has not yet produced definite answers to Russian proposals, ITAR-TASS has reported. [passage omitted]

Mikhaylov Interviewed on 'Nuclear Danger'

PM2307114392 Moscow KOMSOMOLSKAYA PRAVDA in Russian 22 Jul 92 pp 1, 3

[Interview with Minister of Atomic Energy Viktor Mikhaylov by O. Volkov and A. Khokhlov; place and date not given: "Nuclear Danger Is No More Than a Myth. That Is What Russian Nuclear Minister Viktor Mikhaylov Believes"]

[Text] [KOMSOMOLSKAYA PRAVDA] Viktor Nikitovich, you have been involved in science your whole life and you have created nuclear weapons and systems to monitor them. How do you view the recent disarmament accords?

[Mikhaylov] I always said we did not need so many weapons. After all, we had over 25,000 nuclear munitions: warheads, mines, and shells—that is simply terrible! The quantity of weapons has now become a matter of quality and is threatening to become uncontrollable. So arsenals must be reduced.

[KOMSOMOLSKAYA PRAVDA] How soon will this happen?

[Mikhaylov] Unfortunately, it will take us a while to get rid of them. It will take at least 10 years and considerable expenditure.

[KOMSOMOLSKAYA PRAVDA] Where will the weapons be destroyed?

[Mikhaylov] At our enterprises—in Krasnoyarsk, Tomsk, and Yekaterinburg—and in the places where they were assembled: Zlatoust, Penza, Arzamas, and Nizhnyaya Tura.

[KOMSOMOLSKAYA PRAVDA] Are there sufficient capacities?

[Mikhaylov] The Americans visited recently, and I said to them: If you have problems with this, bring yours over here. We will also dismantle your weapons—for a moderate fee.

[KOMSOMOLSKAYA PRAVDA] U.S. scientists are continuing to develop [razrabotka] third-generation nuclear weapons. What about our scientists?

[Mikhaylov] Scientific programs are under way, but without real-life experiments. The moratorium Russia announced last year is still in force.

[KOMSOMOLSKAYA PRAVDA] Are we already a long way behind?

[Mikhaylov] No.

[KOMSOMOLSKAYA PRAVDA] Will tests be resumed at Novaya Zemlya in October, when the moratorium expires?

[Mikhaylov] In all probability there may be tests in 1993.

[KOMSOMOLSKAYA PRAVDA] Tell us a military secret: Will these explosions be weapons tests or are they for peaceful purposes?

[Mikhaylov] What secret is there—there will be weapons tests.

[KOMSOMOLSKAYA PRAVDA] We have heard that the "Chetek" company has made a promise to foreigners to start destroying their chemical waste this year by means of nuclear explosions. Is this true?

[Mikhaylov] This firm offered its services in financing some of the Arzamas-16 conversion programs in 1990, when our appropriations were drastically cut. Permission was received from the leadership of the former USSR. "Chetek" invested 10 million rubles [R], including in the technological studies [razrabotki] you mention. For our part, we promised the businessmen a share of the profits if this program is launched and brings in profits. "Chetek" took the risk. I believed and I still do believe that private capital can be involved in conversion programs. So I gave my agreement.

Today "Chetek" is having some difficulties, and we have not renewed the contract with it, but if the technology "works out," the company has the right to some of the profits because of the capital it has invested.

[KOMSOMOLSKAYA PRAVDA] Is it going to work?

[Mikhaylov] Everything still has to be weighed. I think next year we will submit the plan for expert environmental assessment, international assessment, if you like. Although there are quite a lot of alternative proposals that do not involve nuclear explosions. The winner will be the plan that is cleanest from the environmental viewpoint, entails the smallest risk of consequences, and is economically advantageous.

[KOMSOMOLSKAYA PRAVDA] You are about to go to the United States. What is the purpose of the trip?

[Mikhaylov] I will be discussing a whole series of problems with Energy Secretary Watkins. One of them is the possibility of selling highly enriched uranium-235. We have to earn hard currency.

[KOMSOMOLSKAYA PRAVDA] To whom are you going to sell it?

[Mikhaylov] We are intending to sell uranium in the form of fuel elements to firms and countries to which the U.S. Department of Nuclear [as published] Energy formerly sold it. Our quota is very small—just 5 or 6 percent of world trade or just $300-400 million in money terms. We want to increase our quota in order to obtain as much again.

[KOMSOMOLSKAYA PRAVDA] Why are the Americans interested in such sales? Are the prices low?

[Mikhaylov] No. There was an instance when we sold a consignment of output at low prices—last year. But now in the United States there is an entire protest campaign. The U.S. Department of Commerce believes that we have caused losses to U.S. enterprises. However, American experts today admit that Russia did not sell uranium at below prime cost. So far as they were concerned this was dumping, but it is just that our technology is better and wages are low.

The Americans' interest lies elsewhere. They need to modernize their uranium enrichment plants. I am not saying their technology is backward, but ours consumes 20 times less power, so prime cost is low. Meanwhile their Department of Energy does not want to lose its "nuclear" customers, and so it is temporarily ready to sell our uranium to its customers.

[KOMSOMOLSKAYA PRAVDA] In general, this is as "advantageous" as selling crude oil.

[Mikhaylov] This is not the crude oil trade. Of course, uranium reserves are limited—although we have 45 percent of the world reserves, incidentally. Even without weapons-grade uranium we have more than enough fuel. There are entire deposits! All the storage facilities are full. So what are we supposed to do, just hoard it all? Or try to sell at least some of it? After all, if we were to sell even 10-20 percent of this quantity, it would mean billions of dollars—not credits from the world community, but honestly earned money!

[KOMSOMOLSKAYA PRAVDA] Will we be able to sell it? What is your view of the situation on the international market for nuclear materials?

[Mikhaylov] Not a cold war, but a real "hot" war is under way there. Russia is trying to fight its way in.

[KOMSOMOLSKAYA PRAVDA] Who actually sells the uranium? The ministry? The government? Businessmen?

[Mikhaylov] Today uranium is sold directly by the producer enterprises under our ministry's control, of course. All decisions to sell go through the government. The rules are similar in the West. So you could say that the state, Russia, sells it.

[KOMSOMOLSKAYA PRAVDA] What about the other republics of the former USSR?

[Mikhaylov] We have managed to reach agreements with the CIS uranium-producing countries. They all now sell uranium only via "Tekhsnabeksport." That is to everyone's advantage.

[KOMSOMOLSKAYA PRAVDA] Won't the uranium that is sold come back later in the form of waste that we will have to bury?

[Mikhaylov] No. We will sell it as raw material and take nothing back. In general waste is one of the most painful problems today. For some reason people did not think about it before.

[KOMSOMOLSKAYA PRAVDA] Indeed, I have often heard it said that nuclear power is regarded as cheap only because the costs of reprocessing and burying radioactive waste are not taken into account.

[Mikhaylov] That is not quite true. Feasibility studies today take the whole cycle into account.

Today we have new techniques for reprocessing waste. We now know how to construct the nuclear power stations of the future: They will accumulate radioactive substances which will go back into the fuel cycle after reprocessing.

All this forms part of the new blueprint for the development of the nuclear power industry that was recently examined by the ministry collegium. A plan for the next 20 years has been drawn up. The program can be said to have passed its first reading.

[KOMSOMOLSKAYA PRAVDA] Will new power stations be constructed?

[Mikhaylov] Certainly. There are applications from the Urals, the Far East, and Kazakhstan. China and India are appealing to us. In general there is much that is interesting in this blueprint. For instance, we are considering the option of underground power stations.

[KOMSOMOLSKAYA PRAVDA] Where are you going to get the money to implement the program?

[Mikhaylov] Do not worry; we are not going to be an albatross around your neck. We are not going to get into debt. Our ministry has tremendous potential. For instance, we have an excellent process for silicon carbide production. We will calculate how long it will take to recoup the outlay, and we will see how much money we need. I am proposing to create joint ventures.

[KOMSOMOLSKAYA PRAVDA] Maybe the European Bank for Reconstruction and Development, which is always offering aid?

[Mikhaylov] It is a question of its money! Yes, they are offering $700 million on a preferential loan—at 10-12 percent—but from the next year we would have to pay $70 million. Where are we going to get that money? Would you listen to your wife if she were urging you into debts you could never repay?

[KOMSOMOLSKAYA PRAVDA] But the money is being offered to improve the safety of our nuclear power stations. Can we really cope with this problem ourselves?

[Mikhaylov] Last year we spent R200 million on ensuring safety, and that was a sizable sum then. We will invest some of all the profits without fail in nuclear power station safety.

We have the opportunity to earn good money. Scientifically speaking, our institutes and science and production associations are more than a match for any foreign competitors. In August I am going to the RSA to reach agreement on using our unique technologies in extracting gold from long-abandoned tailings. No one else but us can do this. Half of the profits will be ours.

But I will be honest: As yet there are few specific joint projects; there are more proposals. Nevertheless, we will make $600 million this year.

[KOMSOMOLSKAYA PRAVDA] How will relations develop with the countries of the former CEMA and the present CIS where we constructed power stations? In general is it advantageous for us to maintain some sort of connection with them?

[Mikhaylov] What does advantageous mean? We must all stick together—not only in the nuclear sphere. On our own it will take us too long to "crawl" into the world community, we simply will not be recognized as equal partners, and many people realize this. I value the freedom of any people and the right of every state to be sovereign and independent, but you have to realize that the pragmatic West is not going to help anyone just because it likes their face. So it is now time to restore scientific, technical, production, and technological links. We cannot manage without integration and cooperation.

No one except us is going to modernize the power stations we constructed. Bulgaria and Czechoslovakia asked Germany's Siemens and Italy's Ansaldo. The latter refused and referred the "petitioners" to us.

Incidentally, the "Loviisa" nuclear power station we constructed in Finland is regarded as one of Europe's and the world's safest. At our power stations there is usually one automatic actuation of the shield per reactor unit per year, or to be more accurate, a little less—0.9. At "Loviisa" the figure is 0.3-0.4. At U.S. power stations this indicator is almost 2. Today many people are interested in our reactors: South Korea, Japan...

[KOMSOMOLSKAYA PRAVDA] The world is demanding nuclear safety guarantees from the republics of the former USSR, but what guarantees can we give today if city soviets are making decisions of state importance? The Krasnoyarsk authorities, for instance, do not want to reprocess radioactive waste on their territory. Ukraine is not allowing spent fuel from Czech nuclear power stations through to Russia for reprocessing.

[Mikhaylov] That is all depressing, of course, but what can you do? These are the times we are living in;

everyone thinks he is being "pushed out" of something. As for Ukraine, this matter is almost resolved; we are reaching agreement.

[KOMSOMOLSKAYA PRAVDA] But to whom are we going to write off the losses? All this disarray primarily affects people working in the nuclear sector. Can there be any question of safety when one "nuclear" city after another is threatening to go on strike?

[Mikhaylov] Recently there was a plenum of the Nuclear Power and Industry Workers Union Central Committee, and it was both painful and bitter for me, as the minister, to hear people. Indeed, a prestrike situation has now been declared in Krasnoyarsk, Arzamas, and Krasnokamensk. For several months workers in the sector have not been receiving their pay; there is no cash. The government promised to resolve this question by 1 July. What's the date today? So there you are.

[KOMSOMOLSKAYA PRAVDA] Are you not afraid the scientists will flee abroad?

[Mikhaylov] That is a separate issue. People have long been trying to prove that there is total chaos and mayhem in our country, but none of our specialists has gone abroad. This is all fantasy. The people who are periodically portrayed as Soviet "nuclear specialists" in the West were not closely involved with our military secrets. The CIS has decided at intergovernmental level to control all scientists in any way involved in weapons production.

[KOMSOMOLSKAYA PRAVDA] So are nuclear specialists doomed to be banned from traveling abroad for their whole lives?

[Mikhaylov] Why? For instance, a conference of mayors of closed cities of the "nuclear cycle" was held recently—abroad, in Norway. I think the cost was justified, because we must learn to communicate with our foreign colleagues. Unless we now open up the closed cities a little to the outside world, it will be simply impossible to live and work there.

Admittedly, in choosing Norway I was also pursuing another aim: We have to respond somehow to the constant reproaches from our Scandinavian neighbors about Novaya Zemlya. There are no "horrors" there. Since they do not believe me personally, I thought, maybe they will believe people living actually at Russia's nuclear facilities?

[KOMSOMOLSKAYA PRAVDA] Did they believe them?

[Mikhaylov] I do not know. But for the umpteenth time they asked how I can sleep in a country crammed with sources of radioactivity. I sleep soundly, like a log.

Safety of Nuclear Submarine Reactors Examined

LD2207190992 Moscow Russian Television Network in Russian 1000 GMT 22 Jul 92

[From the "Vesti" newscast]

[Text] Russia, the United States, Japan, and the EC countries have signed and agreement on work to develop a thermonuclear reactor. More than 1 billion dollars will be allocated for its design. It is planned to conclude the design in 1998, and to put the reactor into operation in 2005.

[Correspondent M. Voznesenskiy] The U.S. magazine PARADE has described as a potential source of nuclear danger not sea-based balistic missiles but the nuclear-power installations of Russian submarines. The command of the Pacific Fleet categorically disagrees with this assertion, and it is prepared to use any means which satisfies public opinion to refute it—right up to extensive international inspection

A film crew of the Vesti program took up this proposal, and perhaps for the first time on your screens is the reactor compartment of a nuclear-powered submarine missile carrier. First—to dot the i—our fleet physicists regard the polemics hatched by the Americans as sophistry, if not an attempt to push us out of the world nuclear market, and greatly doubt that the same American ship reactors meet all the IAEA criteria. Both in our country and theirs these boats were built for war, and both we and they had to forego certain things of course. But there is a safety problem.

Speaking of the durability of the nuclear shield, how can one not be deflected on to the prose of life when the commander of the nuclear vessel receives in hand no more than 10,000, and 50 g of Cabernet every 24 hours has become an unaccessible luxury, and yet this dry red wine removes strontium from the organism of the submariner.

Submariners can not be the elite of the fleet in words alone and deserve greater recognition by the powers that be. [Video shows exterior and interior shots of submarine.]

Atomgrad Introduces 'Its Own Currency'

PM2307152992 Moscow IZVESTIYA in Russian 22 Jul 92 Morning Edition p 2

[Aleksandr Tarasov article: "Atomgrad Protects Itself With Its Own 'Currency'"]

[Text] Krasnoyarsk-26 or Atomgrad will evidently go down in our national history not only for its underground nuclear combine but also for taking first place among Russian cities in experimenting with the introduction of a parallel currency to the ruble. Let me say straightaway that in many respects the former brought about the latter—fantastic things happen on the island in the nuclear archipelago encircled by barbed wire.

The "Ostankino" and "Rossiya" news programs reported the threat of an accident similar to that at Chernobyl at the mining and chemical combine in Krasnoyarsk-26—an extremely nervy atmosphere is alleged to have developed among this nuclear enterprise's labor collective due to nonpayment of wages. However all is not that simple.

IZVESTIYA has repeatedly reported on the problems experienced by the mining and chemical combine. Nuclear specialists' wages are lower than the earnings of workers in the most run-of-the-mill specialists in Bolshoy Krasnoyarsk. And you cannot even get them either. Due to the lack of "cash" the threat of a strike has been a permanent feature since March in the environmental conservation laboratory and at the reactor and radiochemical plant workshops. A strike committee has been set up. Six weeks ago nuclear specialists threatened to stop the continuous production cycle! It is something else that these people find highly unpleasant: The specter of unemployment is stalking the nuclear caverns.

In my view, there is one thing at the root of many of the mining and chemical combine's problems: From the time of Stalin to the present day the nuclear enterprise on the Yenisey has been a tool in big-league politics for the state. Yet eminent leaders still only see the nuclear specialists in Krasnoyarsk as a quietly disciplined appendage to the reactors. The "cold war" came, and the mining and chemical combine's 11,000-strong collective producing the innards for nuclear warheads was extremely essential. The war ended. Now we do not know what to do with the mountains of military plutonium, and the Siberian weapons manufacturers have likewise become supremely embarrassing and superfluous. **But first, they can make other things besides plutonium, and second, they have to feed their families.**

However, after giving the order for "production to be reduced," the politicians preferred to forget about the people working there. Naturally, that is bound to disturb the nuclear specialists. Most of them have given decades of their lives to feeding the country's nuclear ambitions, as well as their health and talent, and today they are extremely despondent.

The residents of Krasnoyarsk-26 are owed 267 million rubles [R] in all. Wages have not been paid for two or three months. Cables are regularly sent to Yeltsin and Gaydar from the restricted city asking for cash, but they have remained unanswered for the most part. That was why Atomgrad Mayor Vladimir Kretov was interested in the "Dom Vodoleya" Association's proposal to conduct an experiment on the territory under his jurisdiction to improve the money supply—namely the introduction of a parallel unit of currency, the augram.

Issue No. 135 of IZVESTIYA reported in detail on the nature of the regional Krasnoyarsk currency. The first consignment of augrams, incidentally, has already been delivered to Krasnoyarsk and is at the moment only being sold by one store at a rate of R31 to a "unit." Whereas these experiments with a local currency harbor some risk for the residents of Bolshoy Krasnoyarsk, the city's administration is taking responsibility for the appearance of a parallel currency in Krasnoyarsk-26, so there is therefore more confidence in the augram.

"We are embarking on the experiment mainly due to the disastrous shortage of cash," the mayor of Krasnoyarsk-26 said. "We have already found premises for an exchange center (to exchange rubles for augrams and vice versa) and formulated a joint document with 'Dom Vodoleya,' which we have distributed to enterprises, trading outlets, and trade unions. Although we see the main step as being to introduce magnetic payment cards, which is a very long and arduous process."

It is still too early to predict success or failure for Krasnoyarsk's currency. The city's closed status will undoubtedly help the "running in" of the new currency. From that viewpoint this testing ground is simply indispensable.

The second consignment of augrams is already on its way from Novosibirsk. Citing the commentary in issue No. 135 of IZVESTIYA, a deputy has urged the kray's officials via the local newspaper to say what the "secret motives for the sensation" are. However, the kray authorities are so far in no hurry to state their view of the new currency. That is understandable—the total amount of unpaid cash in the kray at the start of July was more than 9 billion.

Anti-Missile System Cooperation Viewed

LD2507153192 Moscow Mayak Radio Network in Russian 0730 GMT 25 Jul 92

[Excerpts] As it is the end of the week, we can, as usual, dwell in greater detail on the most important events that have taken place recently. Among these events was the arrival in Moscow of a high-ranking delegation from the United States, which discussed the project for creating a joint U.S.-Russian system for defense against ballistic missiles. Only a narrow circle of specialists knows and understands this issue. We have decided to broaden this circle, and we offer for your attention a conversation between Mayak commentator Lidiya Podolnya and Aleksey Arbatov, director of the Strategic Research Center. [passage omitted]

[Begin recording] [Arbatov] The latest stage began at the start of 1991 when President Bush, taking account of the changing relations between the Soviet Union and United States and the significant reduction in allocations for the U.S. Star Wars program, put forward what looked at first glance like a totally new idea. The program would now be aimed not at defending the United States from a massive strike by Soviet missiles but at defending against a limited missile strike, which could result from an unsanctioned missile launch or from some third nuclear power or even from a terrorist group.

A year later, at the start of 1992, President Yeltsin virtually agreed to that and now we have got down to talks on this theme.

[Podolnya] If I understand you correctly, it is a question of deploying a joint anti-missile defense. In your opinion, to what extent is this system in accord with

Russia's national interests? And why is the United States so interested in creating this system?

[Arbatov] The paradox is that both sides have now begun talks about cooperation on the creation of a system to carry out tasks that in reality are not the main motives. The United States has already spent over $2 billion dollars on this program. There is strong pressure in the military industrial complex, and the administration also considers that something must be done with it. Even if it is not a massive, multi-echelon system as was considered before and as Reagan called for, and even if it is not directed against the Soviet Union, it is awkward for the Republican administration to say that a mistake has been made.

Additionally, it is expected that it will produce some gains in the sphere of military technology. Many new space technologies and terrestrial technologies are being developed in connection with this. In brief, in order to defend against those threats the United States now officially considers to be serious ones, they do not need the sort of system they are proposing, because the United States is still beyond the reach of third nuclear powers. Even to defend against such a threat it does not need to have a space system. It could have a somewhat expanded ground-based system. It would be quite adequate to fulfill the task of intercepting individual launches, even if one believes that this is a serious threat.

Now, let us talk about Russia. I think that Russia aligned itself with this idea, not because a serious assessment had been carried out on the threat to Russia from missiles from any third countries, but because there was a desire to join in this program in order to engage in technology exchanges, to obtain some important U.S. technologies, and to support those sectors of the military-industrial complex that have now been left without orders.

In this sense, it seems to me that the question of what systems would be suitable against what threats was purely a secondary consideration. [end recording] [passage omitted]

[Begin recording] [Podolnya] Can one speak about parity, about equal participation by the two sides in creating this system?

[Arbatov] I do not think so because in principle the United States does not need Russian participation in this system. Its interests lie in providing orders for its own military-industrial complex. I do not want to blame them—that is a natural attitude—and you know there is the principle: He who pays the piper calls the tune. In this case, it is the United States that is paying, and this principle is still valid. It exists in business. Therefore, the United States is interested in deploying a system that would be to its own advantage. Consideration for the specific security interests of the other side is not very important in the Americans' thoughts.

Apart from anything else, there is something one must bear in mind. In view of the extreme instability in Russia, the United States cannot be certain how the situation will develop here. To agree to an exchange of technology and joint deployment of systems would mean making its system, which costs billions and into which vast resources have been invested, a hostage to the policy of another country. We, ourselves, are not certain how the situation will develop in Russia. Can one imagine that the United States will wager everything on this card? They are cautious and sensible people and, therefore, they are not going to transfer any such major technologies to us.

For another thing, the United States cannot be sure that the technology they transfer to us will not be used for other aims, for it is not possible to monitor this. The technology is such that some of it can be used for both offensive and defensive purposes. The United States cannot be certain that this technology will not get into the hands of other countries via us.

[Podolnya] Taking account of what you have said, in this situation what are the prospects for the 1972 ABM Treaty?

[Arbatov] The Americans have long proposed renouncing this treaty. Previously, we asserted that this treaty was very important for strategic stability and that it should not be renounced. There are now certain internal contradictions in our position. On the one hand, we say that we are prepared to cooperate with the United States, and on the other we continue to adhere to the idea that the treaty is important for strategic stability and security.

In principle, of course, the ABM Treaty is not holy writ. It is a treaty, and if national interests change then the treaty can be changed too, or replaced by another, different treaty. Before changing anything in the treaty it is necessary to look again at all these questions: What are the real threats to Russia's security? What are the prospects for cooperation with the United States in the sphere of deploying such a system? Do we have the resources for such a system? What other means could there be to deal with the same threat? For example, in order to defend oneself against an unsanctioned launching of a missile one could have, instead of an anti-missile defense system, a more reliable system of preventing an unsanctioned launch, that is a system of control and communications that excludes such a possibility.

All of this should be subjected to very serious analysis, not in secret but with the involvement of the broadest circles of specialists from various spheres of knowledge.

[Podolnya] Returning to the delegation that has just been to Moscow. Can one say that anything was achieved?

[Arbatov] The sides made a step forward. They agreed in principle, or, to be more accurate, they are now going along the path of cooperating in creating a warning system that includes space components. This is undoubtedly a correct and rational approach. I think that the political result is that the United States now regards every step in this sphere, including the joint development of space sensors, as a step toward renouncing the ABM Treaty. Thank God, we still adhere to the ABM

Treaty, and we say that it is necessary to create some things jointly—space sensors, for example—but without violating the ABM Treaty. We and the United States are pulling in different directions. [end recording]

Columnist Ponders GPS, GPALS Systems

PM2407132192 Moscow KRASNAYA ZVEZDA in Russian 24 Jul 92 p 3

[Aleksandr Golts article: "GPS [Global Protection System] Is Not SDI [Strategic Defense Initiative], and Not Even GPALS [Global Protection Against Limited Strikes]. At Least This Is What Moscow Assumes"]

[Text] This Russian habit of going to extremes seems to be ineradicable. No sooner had the talks between Russian and U.S. delegations on the Global Protection System [GPS] Against Ballistic Missiles ended in Moscow, the newspapers carried a report: Work has begun on a Russian-U.S. SDI. Our own scientific circles, which were fiercely opposed to SDI until a couple of years ago, have now become its equally fierce supporters and advocates. Moreover, many among them perceive GPS as just a means of getting Russia involved in the U.S. SDI.

But the idea of GPS, put forward in the joint statement by the two countries' presidents, differs most fundamentally from the SDI concept. Let me remind readers that the latter assumed the deployment of some sort of "space shield" over America's entire territory, thus protecting the whole country against a missile strike. This was a most fundamental breach of strategic stability, which was meant to be ensured by the Soviet-U.S. ABM Treaty. In this form, SDI was and still remains totally unacceptable to Moscow.

As far as it can be understood, GPS is perceived by our representatives primarily as supranational and multilateral. In this form, GPS would not give rise to any fears because its potential and capabilities would be known in advance. The system itself would be controlled by all parties to any future accords. Such a system would not ensure the protection of just one side's territory and would therefore not be in breach of the ABM Treaty. At present, and this ought to be especially emphasized, the Russian side perceives this treaty as the fundamental and immutable basis of strategic stability.

It is no secret, however, that Washington would like to incorporate the remnants of SDI in the GPS concept, and specifically the implementation of the U.S. global protection against limited strikes [GPALS] system. The Pentagon plans, within this system's framework, to deploy by 1997 some 100 interceptor missiles (which does not contravene the ABM Treaty at this stage, since the interceptors would be deployed at just one site). Incidentally, this highly expensive project, whose implementation is estimated at $16-18 billion, is already the subject of sharp criticism in Congress. After all, the United States (in contrast to Russia) is virtually beyond the reach of any tactical and operational-tactical missiles which are, or could be, held by so-called "unstable regimes."

In these circumstances, the administration would obviously not be averse to using GPS as a kind of tugboat which would pull through finances for GPALS. It is said that even Moscow realizes the need for such a system, but Russia is in no hurry to incorporate GPALS in the global protection concept. Primarily because the potential of GPALS is as yet unclear. Furthermore, the U.S. plans envisage the deployment of interceptor missiles in several other regions, which would inevitably lead to the scrapping [slom] of the ABM Treaty.

Judging by everything, Russia's position at the recent talks boiled down to boosting the role of supranational elements in the future GPS concept. As far as it can be understood, zones of agreement have been defined along several avenues, like early warning issues for example. Furthermore, according to informed sources, the U.S. side has confirmed that it perceives the strengthening of Russia's security as strengthening the security of the United States itself. If these words are backed by deeds, a reasonable future lies in store for GPS.

In general, I would like to note that Moscow and Washington are still working only on the conceptual bases of GPS. They are at the very start of rather a long path. Therefore, let us hold back both criticism and enthusiasm.

Commentary on Need for Ban on Nuclear Tests

LD2407091292 Moscow Radio Moscow World Service in English 1710 GMT 23 Jul 92

[Vladislav Kozyakov commentary]

[Text] On Wednesday [22 July] the Russian Foreign Ministry spokesman announced in Moscow a readiness to resume phased negotiations with the American Administration and view them as a process toward a complete ban on nuclear tests. Our commentary is by Vladislav Kozyakov.

The offer to resume Russian-American dialogue may be seen as yet another opportunity to ban nuclear tests completely, or at least to make a decisive concerted effort in that direction. And this appears to be timely. The moratorium on tests introduced by Russia and France remains in force. In the circumstances Russian-American talks may be viewed as yet another effort to practically solve a most complicated international problem inherited from the cold war. Moscow applauded Washington's decision to conduct no more than six nuclear tests in Nevada annually, and the declaration that all the explosions would be carried out only to verify safety and reliability of weapons and not to develop new types of weapons. The Russian Foreign Ministry spokesman has described the initiative as a certain movement in the previously inflexible U.S. position. Incidentally, the announced restrictions are

extended to the developments of the nuclear component in the framework of Strategic Defence Initiative. The NEW YORK TIMES reports that the Energy Department has canceled the test of the nuclear-powered X-ray laser though dozens of millions of dollars have been spent for the purpose under the Star Wars program.

So changes for the better are clearly felt on the international scene, and I believe the time has come to ban tests, not only limit them. To prevent the proliferation of the mass-destruction weapons is the top priority task now. President George Bush has said the nuclear arms proliferation presents a growing threat for the interests of the United States national security. To be more precise, this is a threat for the entire mankind. Banning nuclear tests would prevent this danger. On the other hand, if continued the tests would pose an incentive for those countries that would like to become members of the nuclear club. Their leaders, obsessed by the nuclear ambitions, don't see the difference whether the tests are conducted to create new types of weapons or to check the potential of the existing arsenals. Each new nuclear blast in Nevada or another nuclear site may only boost the proliferation. It seems U.S. congressmen are well aware of the fact, insisting that the country join the moratorium declared by Russia and France, and introduce a one-year moratorium for nuclear tests. The House of Representatives approved in June a relevant bill while the majority of senators have supported the demand. The Congress and the Administration seem to have to settle their differences on the issue. The Russian Foreign Ministry spokesman said Wednesday that Moscow hoped the decision would eventually be taken to discontinue tests and that the United States would follow suit.

International Affairs

Baker Says U.S. 'Fully Supports' Yeltsin

LD2607094392 Moscow ITAR-TASS in English 0906 GMT 26 Jul 92

[By ITAR-TASS correspondent Alexander Bokhonko]

[Text] Manila July 26 TASS—The United States fully supports Russian President Boris Yeltsin's policy and political and economic reforms in Russia, U.S. Secretary of State James Baker said at a news conference in Manila on Sunday [26 July].

Baker is in Manila to attend regular discussions between the United States and ASEAN countries.

Russia is gradually shifting its policy from Europe to Asia and Russian Foreign Minister Andrey Kozyrev's recent visit to Manila to attend a conference of the ASEAN foreign ministers is a step in the right direction, Baker said.

Commenting on the situation in Iraq, Baker accused Iraq of violating U.N. resolutions and undermining the prestige of the United Nations organisation and warned that the world may face a situation similar to that a year ago if Iraq does not obey U.N. sanctions.

Speaking on the situation in the Middle East, the secretary of state said possibilities exist for resuming the Arab-Israeli talks.

Baker described the situation in Myanmar, formerly Burma, as a hotbed of instability in the region.

Baker's Mideast Tour 'Important Step' to Peace

LD2407170292 Moscow ITAR-TASS in English 1629 GMT 24 Jul 92

[By ITAR-TASS diplomatic correspondent Rostislav Gertsev]

[Text] Moscow July 24 TASS—The U.S. Secrtary of State James Baker's tour of the Middle East countries is considered in Russia as an important step towards the preparation of the sixth round of the Arab-Israel bilateral talks and multisided sessions of working groups, the director of the Russian Foreign Ministry's Information and Press Department Sergey Yastrzhembski announced at a briefing held for Russian and foreign journalists in Moscow today.

In our view the situation now is more favourable for progress forward the settlement in the Middle East, than it was ever before. To a large extent it is connected with the coming of the government headed by Yitzhaq Rabin to power in Israel, the platform of which has real prospects for the achievement of practical accords. The manifestation of the maximum flexibility and constructiveness and readiness for the search of compromising solutions by all sides is of special significance, the diplomat emphasised. If such a mood is ensured, there exists a real opportunity of making progress in a number of directions of the talks, including holding of elections on the West Bank and on the Gaza strip and deciding the status and authority of the Palestinian self-government bodies.

Sergey Yastrzhembski informed that the director of the Middle East and Africa Department of the Russian Foreign Ministry, Victor Posuvalyuk, left today on a tour of this region to hold consultations on the whole gamut of issues with heads of foreign departments of a number of Middle East countries. His mission begins with Cairo and he also plans to visit Jordan, Lebanon, Syria and Saudi Arabia.

'U.S. Egocentrism' Viewed

MK2407115092 Moscow KURANTY in Russian 24 Jul 92 p 3

[Mikhail Shchipanov commentary: "Baker Taking Off His Tailcoat?"]

[Excerpt] [passage omitted] World politics is about personalities to an amazing degree. The reputation and international renown of politicians and diplomats constitute assets that are fitting for the national gold reserve. The departure of a figure of Baker's proportions will inevitably provide grounds not only for society gossip but also for ordinary analytical speculation about possible amendments to U.S. foreign policy, about the emergence of new nuances in relations with allies, etc., particularly because now, with the accession to power in Israel of Rabin's team with Baker's apparent blessing, a new round of the Arab-Israeli dialogue, which is advantageous for Bush personally, is beginning, and because many U.S.-European contradictions have avoided becoming "inflamed" only thanks to the particularly confidential relations which the secretary of state has formed with partners from the Old World. People have also become accustomed to Baker in the capitals of the CIS states, which prefer to see the "familiar" figure of the secretary of state as an influential intermediary who is extremely useful for sorting out their own Commonwealth "kitchen" squabbles.

Yet it is quite likely that Bush will place the tactical advantage of his own campaign above America's strategic interests. At the same time no one—neither the senators who appended to the Russian aid bill amendments which accord with the narrow interests of their own states, nor the members of the House of Representatives, who generally are in no hurry to vote on the "freedom support bill" in their own reelection year—will raise his hand to cast the first stone at the President. Six months before the election U.S. egocentrism has reached its highest stage. To paraphrase a Russian emperor, it is possible to say that "the world can wait while mandates are shared out in America." Incidentally, it is no coincidence that people across the ocean are amazed at how this Russian Government, which devotes such great

attention to the problem of the foreign debt, has placed its own creditors among its fellow citizens at "the end of the line." By U.S. yardsticks, this is disorder.

Yeltsin Favors Buying Grain From EC Surplus

LD2407120192 Moscow Radio Rossii Network in Russian 1100 GMT 24 Jul 92

[Text] Russia will possibly change the structure and geography of its grain purchases on the world market next year. This was stated by President Yeltsin during his visit to Omsk Oblast. He noted that it makes sense to turn one's attention to the European grain market when purchases are being made, because the EC, in his opinion, has a surplus of grain at its disposal. Russia's traditional market—the United States and Canada—was, Boris Yeltsin says, established many years ago and not under the most favorable of conditions for Russia. Moreover, the high cost of transportation influences the cost of the grain supplied from there.

The president noted at the same time that he is not calling for the U.S. market to be relinquished, INTERFAX reports.

Addresses Farmers

OW2407190392 Moscow INTERFAX in English 1628 GMT 24 Jul 92

[By Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin and edited by Boris Grishchenko; from "Presidential Bulletin"—transmitted via KYODO]

[Text] "Next year Russia may correct its grain purchase scheme on the world market", President Boris Yeltsin said on his visit to the farming complex "Omsk Bacon". Discussing with farmers the shortage of good fodder he advised them to turn to the European market where the EC has, to his knowledge, "a surplus of grain". He was not calling, he said, for giving up the traditional markets of the United States and Canada, but pointed out that those links had shaped up years ago and not on most favorable conditions, including freight. "The old bureaucracy", he remarked, "was led in its economic choices by a system of bribes". For new technologies he recommended to look to Germany, the country that has been the most active of the G7 group in helping Russia with credits.

While talking to the Omsk people Yeltsin promised additional pay perks next month for teachers, doctors, and other professions in the cultural field. He also expects incomes to rise in other areas, such as agriculture where the state is going to subsidize the purchase prices, particularly for meat.

Yeltsin mentioned that "in keeping with Russia's Constitution" criminal charges will be brought against a leader of the RF [Russian Federation] Communist Party - Victor Anpilov - and the head of the Russian National Congress - retired KGB General Aleksandr Sterligov. "Calls for a violent overthrow of the legitimately elected government can't be left unnoticed", he remarked while meeting the workers of the OMSKNAFTAORGSYNTHES company.

To a question about the detained organizers of last year's coup Yeltsin replied that except Vasily Starodubtsev - "a farmer who was misled" - none of them will be released from prison until their trial.

Kozyrev on Relations With CIS, CSCE

PM2407155592 Moscow ROSSIYSKAYA GAZETA in Russian 25 Jul 92 First Edition p 7

["Topical Interview" with Foreign Minister A. Kozyrev by Yelizaveta Pavlova; place and date not given: "Andrey Kozyrev: 'The Minefield Is So Great'"—first two paragraphs are introduction]

[Text] So, the well-known "Ossetian buffer zone" has blazed a trail for itself—reports on this event are constantly in the newspapers. Some mass media are nevertheless sternly saying that the Russian Foreign Ministry is neglecting a whole series of major political issues involved in forming the Commonwealth.

"Your newspaper cleaves to that stance," Russian Foreign Minister A. Kozyrev said. "I would therefore like to present my view of this problem."

[Pavlova] Andrey Vladimirovich, do you think that Russian diplomacy within the CIS is proving itself to be entirely fitting? Or are you inclined to agree with the critics?

[Kozyrev] The answer to that lies in our mentality: We want everything at once. If we are aiming for communism, we want it by such and such a year and no later. If you are talking about boosting the countryside, that must be done right after the structural reorganization of agricultural organs of management. As for binding the CIS together with lasting ties, that must be done today; tomorrow will be too late.

Impatience is one reason for our desire to "stick together" the Commonwealth more rapidly. Another is the fact that there are people who do not accept the president's endeavor to resolve ethnic problems without the use of strong-arm methods. A third is the fact that the Dniester region, Karabakh, and Ossetia are areas where the former regime laid time bombs. The minefield is so great that you cannot defuse it rapidly—you know the tremendous amount of work that was needed to create the current "Ossetian buffer zone." The fourth and last reason is our endeavor to resolve all problems by oversimplified, neobolshevik methods, without waiting for democratic norms and regulations to be adopted, merely appealing to the great-power [derzhavnyy] syndrome.

What, I wonder, can these methods produce if they have turned us, a people whom everyone seemed to fear, into a supplier of agricultural produce and raw materials for the West?

[Pavlova] What, in your view, is the alternative to the hasty "great-power syndrome"?

[Kozyrev] Diplomacy that is not flashy, hasty, or crude. There is, for instance, a very large group of people's deputies who are working on precisely this with the Foreign Ministry and other government institutions, unstinting of their time. For our part, we ourselves are seeking to cooperate with the Russian parliament since confrontation is our work's worst enemy. I am always ready for joint quest, open to constructive criticism.

[Pavlova] What is hampering you from rendering your work more productive? Is it not something that you mentioned quite recently: A great power without its own embassies and consulates loses out in many respects?

[Kozyrev] The question is still open. A worker needs a work bench; we need embassies and consulates. Regrettably, everything has come unstuck on finances. Admittedly, there are ordinances and directives from Yeltsin, Khasbulatov, Filatov, and the Supreme Soviet Committee for International Affairs, and there are documents signed by Gaydar, but there is still no real money.

Hence you can criticize the Foreign Ministry as much as you like, but we can only grope in the dark without embassies. Our ambassadors have already been appointed to all republics of the former Union, delegation heads have been appointed, and the membership of the delegations for interstate talks has been decided. Over 10 departments, without whom these talks are impossible, are taking part in them. But they need a base in order to be able to work: premises, vehicles, communications, and, lastly, catering facilities. We must not, moreover, have standards below those of the foreign delegations who come to our country—low wages, ruble zones, etc. What is more, I do not agree with the suggestion that an ambassador should not earn more than a minister. I am a minister, and I can feed my family in Moscow on rubles. But what can an ambassador do who is, for instance, living in a hotel in Ukraine? For understandable reasons, he will only be able to eat in restaurants. Then his wages will only be sufficient for a few days.

There is another suggestion: People say, reach agreement with the CIS states' councils of ministers—let them provide Russian ambassadors with "allowances." No, we do not need that kind of dependence. Pardon me for saying so, but an ambassador should not look with hungry eyes on the chairman of the council of ministers in even the most friendly of states, but should firmly uphold his country's interests. Otherwise we will be deeply bogged down in an inferiority complex.

[Pavlova] You have just been tackling CSCE problems and have already won a "compliment"—it is being said that our inability to cope with CIS issues was recognized in Helsinki and that now the CSCE has to rescue us.

[Kozyrev] I categorically disagree with that. On the contrary, we did everything to give this organ a real, efficient decisionmaking mechanism.

[Pavlova] The CSCE was originally devised as a club, a forum, a place for formulating solemn decisions. In this respect it has played its role and has formulated the norms and principles of civilized behavior (human rights, etc.). Today some people are already calling it yesterday's organization.

[Kozyrev] No, in its renewed form it will be able to be of great benefit to our Commonwealth, but we must move on from declarations to actions. We set this task straightaway on becoming a member of this organization. The goal has in principle been achieved. A decision was adopted at the summit that radically changes the essence of the CSCE: The organization is changing from a forum into a set of specific mechanisms.

A rapid-response system has been set up in respect of conflicts, including forces to establish and keep the peace. That is, military forces which only the UN Security Council has had hitherto. This is very important given the current explosive situation within the CIS. An institute of commissioners for the affairs of ethnic minorities has been set up to provide real protection for human rights everywhere, including, of course, the rights of the Russian-speaking population. Human rights violations will be flushed out and corrected. The Warsaw Center of Democratic Institutes has been strengthened, it will directly act to strengthen democracy (analyze constitutional norms, help organize elections, etc.).

[Pavlova] In your view, does all this work of transformation represent an achievement for the Foreign Ministry?

[Kozyrev] It represents a great achievement for Russian diplomacy. That is the view of an objective observer—take the interviews in the West following Helsinki. However just as it is absurd to blame the Foreign Ministry for all our foreign policy failures, it is also absurd to ascribe all our successes to the Foreign Ministry. In actual fact Russia secured this as a state. In the future we intend to focus the international community's attention on resolving our common problems since there is no longer any room for an iron curtain along Russia's borders.

Grants Interview on Far East Tour

LD2607160892 Moscow Programma Radio Odin Network in Russian 1030 GMT 26 Jul 92

[Interview with Foreign Minister Andrey Kozyrev by station correspondent Vladimir Pasko after Kozyrev's return from Manila; place and date not given; from the "World This Week" program—live or recorded]

[Text] [Pasko] Now is the time to talk on the subject which was topical last week and which I think will remain topical in the next few months. I have in mind Russia's policy in the East. President Yeltsin will soon

set off for Japan and South Korea. A visit to China is not ruled out either. The point of the forthcoming visits is obvious. Russia is shaping its policy in the East. The line of behavior has generally been determined already. Speaking at the Sixth Congress of People's Deputies, Foreign Minister Kozyrev mapped it out as follows: Contributing to shaping a system of international relations in Asia and in Pacific and Indian Oceans basins in which Russia can take an appropriate place. Now this issue is being defined in more concrete terms.

What is important in this process is Russia's participation in the 25th conference of foreign ministers of the ASEAN—an interregional organization of six Southeast Asia countries—held in Manila. It was set up to develop economic and social cooperation to contribute to peace and stability in that region. The decision to invite Russia was taken by the ASEAN countries back in January and marked, as stated, their recognition of Russia's special interests in the region. What have we got out of our participation in the conference, from the point of view of the priorities which were made public? I put this question to Minister Kozyrev on his return to Moscow.

[Kozyrev] I think that this was a useful step on our part, since integrational processes have been developing in Asia. The situation is now such that the process which was begun by the six ASEAN countries is now assuming a broader dimension, as it were. It is not fortuitous that practically all major countries of the Asia-Pacific region took part in the conference either as partners in dialogue or as honorable guests. Also taking part were the United States, Canada, and our East and West European partners, in addition to New Zealand, Japan, China. Vietnam and Laos are also now joining in. So, in actual fact this is an event of the Asia-Pacific region in which one simply had to take part and had to be present.

Second, our Far East and Siberia, that is, two-thirds of our country lie in Asia, and we have enormous interests in the Pacific region. We must not be left out of these integrational processes and eastern politics. So I think that, in general, we staked our claim to be present, and reminded people that we are a great Pacific state and naval power. Our aspiration and firm determination to bring our military parameters into conformity with the criteria of reasonable sufficiency does not mean that we are withdrawing from the region and that we are completely disintegrating. So, we must also find a worthy place for our naval presence.

But, of course, the most important thing is to create political conditions now which allow us, as the reform develops, as we establish our own economic apparatus, to join in the economic dimension of this Asian cooperation. To this end it is, of course, desirable to prepare political conditions even now, ways of exploiting these opportunities. And we have created them. I consider that a green light has been lit in the Asia-Pacific region for our inclusion, for vigorous economic cooperation. Whether we will be able to make headway, as they say, with the economic dimension of this cooperation, to take advantage of this green light, depends not on me but on the economic sector, on the progress of our economic reform. But I regarded it as important to create the conditions.

So, to summarize what I have been saying, I believe that this event and our participation in it were quite simply essential.

[Pasko] Did you discuss anything specific during your meetings?

[Kozyrev] Well, specific political ideas develop out of certain intentions. It is very important for our partners to understand the nature of our policy, to be aware of how we view ourselves and, in general, to know what we are staking a claim to. I think this is our claim to the role of a normal participant in the process in our capacity as—to be frank—a major and strong Asian power. This is an important element and, at the same time, a concrete one. In general, everyone said after the meeting—and I believe the Asian press too is saying that the situation has now become a bit clearer, that we do not intend to disappear from the map of Asia. On the contrary we want to remain there.

Well, what about the other issues? They are interested in a whole range of practical things, above those ones which involve conflict, of course. Like us, they are always worried by conflicts in a zone whose developments we are used to following. After all, this is also our zone. Therefore, we also need to participate there. The Cambodian conflict is an example. Naturally, it was necessary to discuss this with the Vietnamese, with the Chinese and with ASEAN, since all these are elements with influence on a Cambodian settlement. This process is now at a very important stage, the transition to the second stage. This is the disarmament of the warring parties. Again we clearly stated, we made it clear in all our talks that we do not intend to withdraw from this settlement process. But we will not behave as we did before, when we tried to play various roles as an ideological partner, but will act purely in our capacity as one of the big powers and a permanent member of the Security Council. This is once again an element of our influence and presence.

However, the islands in the South China Sea, the Paracel and Spratly islands, are a zone of conflict between China and Vietnam, and four other states are involved. So it was also important for them to know which position we are adhering to, whether it is pro-Vietnam, pro-China or pro-Thailand. In general it was also necessary to somehow sail across these reefs. All of this is not because of our support, but so no one is hurt by us. After all the conflict for us is, to tell the truth, a priority one. And so on, it is simply necessary to participate in the politics of the whole of this region [words indistinct]. But they, of course, are particularly interested in the problem of the vacuum. If Russia withdraws completely, the United States is also reducing its presence, as they say, and a vacuum appears, and some other forces may come into

this vacuum—China, Japan, and so on. The old (?suspicions) appear, and new (?suspicions) as well.

So the states of the region are very interested in us being present as a volunteer. But here again some kind of unpleasant situation arises immediately—the presence as before in the confrontation zone. To oppose is one variant. But everyone is tired of this, and so no one wants a presence like this [words indistinct]. A second variant is to give the Americans a complete monopoly in this region [words indistinct] the states of this region don't want this either. So it is necessary to be genuinely present, but as partners with these states and the United States. Some kind of balance as regards the participation of all these states is necessary here. And a very interesting scheme appears here, a scheme affecting many factors, namely a scheme of multi-polar peace in this region. Here nevertheless there exist... [changes thought] all of them, on the whole, have friendly relations, the major powers, but which at the same time supplement and balance each other. I think that in this pentagon we have already clearly marked out our position which corresponds to our role, a significant place. In my opinion this is an example of a normal political game without distortions and confrontation as there was before, and here (?extremes have disappeared). So, as I always say, a normal superpower.

[Pasko] Andrey Vladimirovich, did you examine economic questions on a general plane, or were there any specific projects?

[Kozyrev] The idea of such a meeting is, in the first place, of course political in the sense that even economics is discussed on a political principled plane. But economics is something completely specific, and it is necessary to make projects, contracts are necessary, agreements are necessary. Our businessmen were with us. There are possibilities of joining in integrated associations, they will accept us there. However, we have a somewhat weakened position, although everyone knows very well that this is just a matter of time. We were also able to explain this, because it is not necessary to view them as developing countries. There is great scientific-technical and industrial potential, resource potential.

However, we should simply find a correct model for our economy and accordingly integrate into this enormous Asian market. We agreed that the new integrationist association that is being set up there, through [word indistinct] cooperation, on the whole, will proceed from the fact that we, as it were, are original participants and that we will participate from the very beginning. I think, this is not bad since from the beginning we should arrange the reform to ensure that it is compatible with the surrounding world and not only with the West, where it is compatible, but in the East too, with our Far Eastern region and the Asian part—one has to be orientated toward there.

There is yet another practical measure which consists in the fact that our Asian partners want to cooperate with our Far East. The sooner we open it completely and for real, and the sooner the Far East starts operating, the sooner can practical economic work begins. Meanwhile we are awaited there, and, I think, we will be fully received there. So, this is approximately how things stand in the economic field.

[Pasko] You have recently visited Petropavlovsk-Kamchatskiy and then Krasnoyarsk. Did you go there to see for yourself, so to speak, our opportunities in this area?

[Kozyrev] Of course, we had a number of meetings with the political leadership, the public, and the military there in order to know what was under discussion. First, what is our potential, second, what are the difficulties, and third, what do the inhabitants of our Far East themselves expect? So, I have quite a clear picture now about these things. I have homework from both regions regarding what we should do and, I think that at present this is an inevitable and very important aspect of the work of the Foreign Ministry, i.e. to work with one's own territories and with one's own groups of interests, so to speak, and foreign policy cannot lose touch with its own soil and it should express definite and concrete interests in society; therefore, of course, if we had not visited a strategic fleet base, certainly, we would not have had such a clear feeling that, while bringing all this into line with the criterion of sufficiency and eliminating excessive arms [words indistinct].

Says Kuril Islands Not Being Sold

LD2407205792 Moscow Russian Television Network in Russian 1900 GMT 24 Jul 92

[From the "Vesti" newscast]

[Text] The closer President Yeltsin's official visit to Japan, the more acute the question of the fate of the four islands of the Kuril chain. It is turning into a scandal. There are still talks about documents of the Russian Foreign Ministry in which a plan of handing the islands over to Japan is written out allegedly day by day. Oleg Rumyantsev, secretary of the Constitutional Commission, suggested today that Yeltsin's visit ought to be postponed until the Russian leadership works out a single standpoint with regard to this issue. RIA reports that Minister Kozyrev tried to put an end to the whole story today. He stated firmly that the Kuril islands are not being sold to Japan and that there is no trade involved in this issue. It is out of the question.

Kunadze on Signing Peace Treaty With Japan

OW2507022492 Moscow Radio Moscow in Japanese 1300 GMT 23 Jul 92

[Report on news conference with Deputy Foreign Minister Georgiy Kunadze by unidentified Radio Moscow reporter in Moscow on 22 July; recorded portion of Kunadze's comments in Russian with superimposed Japanese translation]

[Text] Russian Deputy Foreign Minister Kunadze, in a news conference held in Moscow on 22 July, explained the prospects for signing a peace treaty with Japan. Regarding this here is a report by a Radio Moscow reporter.

Explaining the outcome of a working group meeting held in Tokyo last week concerning a Russian-Japanese peace treaty, Deputy Foreign Minister Kunadze stated as follows:

[Begin Kunadze recording] Russia and Japan generally agree on the contents of a peace treaty. However, the only pending matter is the territorial issue over the Southern Kuril Islands. We are studying the Japanese proposal, which was announced recently, in order to settle this issue. We will put off making proposals, including compromises and others, for settlement of the issue until President Yeltsin visits Japan in September. [end recording]

This is what Deputy Foreign Minister Kunadze said.

Regarding President Yeltsin's visit to Japan, Deputy Foreign Minister Kunadze pointed out:

[Begin Kunadze recording] Both the Russian and Japanese sides think that President Yeltsin's visit to Japan is very significant, but we believe that we will continue Russian-Japanese negotiations even after the visit. Moreover, everything we do before and after the visit will be important in steps towards signing a Russian-Japanese peace treaty—an important document in the history of the relations between Russia and Japan.

Russia will sign the peace treaty with Japan within the framework of already existing agreements; that is, we will do this only within the framework of legal, political, and [word indistinct] agreements, which have been signed so far. Russia, as a nation whose national policies are based on the principle of legality and fairness, does not wish to pick a confrontational stance with other countries. In other words, we have no intention of walking along the path that Soviet diplomacy has built over several decades.

Needless to say, it is in agreement with Russia's national interests to have coordinated relations with Japan. We will not be able to turn a new page in the post-World War II period in Asia unless we take this inevitable first step. The post-World War II period has already ended in Europe. [end recording]

You have just heard Russian Vice Foreign Minister Kunadze's view regarding prospects for signing a peace treaty with Japan.

Discusses Japan With Burbulis

OW2407170592 Moscow INTERFAX in English 1438 GMT 24 Jul 92

[Report by INTERFAX diplomatic correspondents Andrey Borodin, Igor Porshnev, and others; from "Diplomatic Panorama" feature—transmitted via KYODO]

[Text] The promotion of economic cooperation between Russia and Japan is an important condition for settling the territorial issue, the Russian president's state secretary Gennadiy Burbulis said at yesterday's symposium in Moscow discussing how Russia could possibly use the Japanese pattern of economic development.

Speaking afterwards, Burbulis said that "economic cooperation is a way out of the deadlock and a call for practical contacts to the benefit of both countries".

The secretary also said that the government commission designed to clear the ground for Mr Yeltsin's visit in Tokyo held a meeting on Thursday [23 July] to consider a regional economic development plan for Russia's Far East "in the context of relations between Russia and Japan".

Dr Aleksandr Grinberg and deputy prime minister Valeriy Makharadze who is in charge of regional and territorial affairs and just returned from the Far East had both made keynote reports. Other speakers included representatives from the Sakhalin, Kamchatka and Magadan.

Burbulis said that as a result, the blueprints of a presidential decree and a government resolution would be drawn up to formulate a long-range policy of Far Eastern development. He said this was expected to create conditions for the attraction of foreign investment, including Japanese.

On Mr Yeltsin's forthcoming visit to Japan, Burbulis said its quality and success would largely depend on how keen the two sides were and how hard they were prepared to work until September before the visit started.

Burbulis called for big headway in bilateral economic contacts hoping that Mr Yeltsin's visit could also stimulate a number of coherent projects.

In his words, Yeltsin is expected to offer at least three ways of resolving the territorial dispute. However, Burbulis gave no other detail.

In reply to a question by DP [Diplomatic Panorama] correspondent, the state secretary pointed to the need to discern in a shower of criticism of the government's handling of the territorial issue what he described as "keen interest by part of the Russian society in a fair solution to the dispute".

But he also pointed to "perfectly unjustified and often biased criticism of the foreign ministry and the government as a whole". And finally, he said, there are normal political considerations. "It's much too easier to be a Russian patriot by ignoring history, law and the international aspects of an issue", said Burbulis.

In his words, the Russian leadership which treated all of that criticism calmly was due to outline its approaches to the territorial issue complete with a coherent plan, stages and ways of putting them in place.

Burbulis said the programme "will be based on the interests of the population of the territories under discussion, and Russia's obligations to comply with international law and the conduct of a democratic state". Part of the programme is to be made public prior to Mr Yeltsin's visit.

"We rule out any evasion from the territorial issue, and refuse to shelve it off indefinitely, or shed the responsibility to resolve it in a dignified way", said Burbulis.

However, he said, the Russian government would hate to be seen as trying to rush through political decisions for a showing off at the cost of Russia's own strategic interests.

On the possibility of recognizing the legitimacy of Japan's claims for the disputed islands, Burbulis said "we contemplate a number of conditions which coming together can look legally right, politically justified, and economically promising".

Deputy foreign minister Georgiy Kunadze who oversees the country's relations with Japan and took part in the government commission meeting said that experts had offered more than a dozen options for resolving the dispute.

He warned against going ahead of events reporting business as usual. "It would be naive to expect that an issue that has been deadlocked for decades could resolved at once", Kunadze said adding that negotiation was needed.

Asked how soon the issue could be resolved, Kunadze pointed to the need to discern between an agreement and implementation of it. However, he said there were grounds for optimism and that "the time terms will be shorter than the process of expectation stretching for all of thirty-six years".

Views Ties With Japan

LD2507174392 Moscow Russian Television Network in Russian 2006 GMT 24 Jul 92

[Interview with Deputy Foreign Minister Georgiy Fridrikhovich Kunadze by Vladimir Tsvetov; place and date not given; from the "Behind the News" program—live or recorded]

[Excerpts] [Tsvetov] As I expect you will have learned from the Vesti program, esteemed viewers, as the visit to Japan by the Russian president approaches, the so-called Northern Territories—the islands of Iturup, Kunashir, Habomai, and Shikotan in the Kurils chain—are becoming more and more of a hot spot. Fortunately, it is a hot spot not in any theater of war but in the political arena. I have in mind the Russian Parliament.

Georgiy Fridrikhovich, why is it that some Russian people's deputies are trying to bring the question of the Northern Territories, that is the question of Russian-Japanese relations, to boiling point? This is happening, moreover, during preparation for Boris Nikolayevich Yeltsin's visit to Japan.

[Kunadze] You know, there are many reasons for this, and I think each of the groups involved has its own motives. [passage omitted]

An open letter from 52 deputies to President Yeltsin was published recently. Then Deputy Andronov, whom we all know—he is the deputy chairman of the [Supreme Soviet] Committee for International Affairs and Foreign Economic Relations—gave an interview to the Japanese newspaper NIHON KEIZAI. In both cases—both the 52 deputies including Andronov and then Andronov on his own—they refer to some memorandum presented to the Russian president and claim to have uncovered a secret and pefidious scheme. Attempts to dehumanize one's opponents were traditonal for Bolshevik and Soviet propaganda: We always depicted our opponents as ogres and gave them horns. But in this instance, I am interested in something else. These deputies are representatives of authority, and they include people who by virtue of their jobs have access to official documents. I would not want to comment now on whether such a memorandum existed or not. In any administration a large number of memoranda and documents are in circulation. They are all official documents and by definition are not for publication. Believing that they had found and gained access to secret documents, these deputies immediately publicized these secret documents. You may know the saying: It is worse than a crime; it is a mistake. In this case, I would reverse it and say: It is worse than a mistake; it is a crime. It is a deliberate crime. Surely not all methods are acceptable in the cut and thrust of politics.

[Tsvetov] There are periods when there is nothing more pernicious than public opinion. Do you not think that on the Northern Territories issue we are currently going through just such a period?

[Kunadze] I think that we still have a very poor understanding of public opinion. I would like to make two points. First, it is typical that those who are saying that people will not understand and will not forgive are precisely those who are doing their level best to prevent people from understanding. Second, I think that a monstrous slander against our people is being perpetrated, attempts are being made to perpetrate it, and yet our people have always and throughout the centuries taken pride in their justice, honesty, and objectivity, and I have evidence that public opinion is not so unequivocally set against the search for a solution. We receive a lot of messages. [passage omitted]

[Tsvetov] I may be mistaken, but it seems to me that the problem of the Northern Territories has ceased to be simply a diplomatic problem. It is a political problem, and it cannot be ruled out that it is not worth waiting for a consensus among people at large and public opinion on this problem, and that a political decision is simply required—a political decision stemming from Russia's general and global interests.

[Kunadze] You know, as someone who has spent most of his life on academic pursuits, I would agree with you. As an official of the Russian administration, I do not of course undertake to give any recommendations to the president or to the government. That is the business of politicians. I am not a politician myself. [sentence as heard] Of course, a consensus in society in the sense of total unanimity is by definition unthinkable. It is the invention of totalitarian regimes, the invention of our predecessors, perhaps. I think that, yes, to some extent any step in politics requires courage, determination, and a clear understanding of one's objective.

[Tsvetov] Finally, my last question. We—at least this is my own opinion, and I am referring to those who share my point of view—believe that a solution to the territorial question will enable us to improve relations, primarily economic relations, with Japan. We could then count on a certain degree of Japanese help in tackling our extremely acute economic problems, but there is another point of view. It goes roughly like this. As soon as the territorial issue is decided, Japan will simply forget about us because it does not need us and we are so far behind it economically that we are simply of no interest to it.

[Kunadze] I would put my own position somewhere between these two points of view. First, the main thing is the question of territorial boundaries and the issue of a peace treaty. As I see it, this is a question of the honor and integrity of our people and the democratic Russian leadership. It is not a subject for bargaining, and bargaining is, without any exaggeration, absolutely unacceptable here. So yes, having signed a peace treaty, one could argue of course that we would open up certain new opportunities for our cooperation with Japan. Incidentally, having signed it we would get a chance to sell certain categories of our goods to Japan which we cannot sell today because of the absence of a treaty, and similar principles will undoubtedly come into operation on the Japanese side too. In my view—it has already become commonplace to say this—the problems of Russia, the problems of such a colossal country, cannot be solved through reliance on someone's help. If there is anyone who can solve our problems, it is us. So in that sense the hope that a kind uncle will feed us in return for something seems to me quite unjustified.

Feasibility of Joint Control Noted

LD2707110892 Moscow ITAR-TASS in English 1022 GMT 27 Jul 92

[Text] Moscow July 27 TASS—Russia may agree with Japan on joint sovereignty over two Kuril Islands, Habomai and Shikotan, and keep the other two, Kunashir and Iturup, for itself, according to a variant of solving the territorial dispute with Japan which will be submitted by parliamentarian Oleg Rumyantsev to Russian lawmakers.

The Russian leadership has to confirm that South Kuril Islands comprise a zone of Russian national interests, Rumyantsev, who is secretary of the Constitutional Commission, demands in his report which will be discussed by parliament on July 28.

The report acknowledges that the territorial problem between the two countries exists and demands to involve Russian public opinion in its resolution. Any hasty decision, adopted in secret, will be rejected by the public opinion and may aggravate tensions in the country, the report says.

Rumyantsev doubts that the transfer of the islands to Japan will trigger large-scale economic aid to Russia. The value of the mineral wealth of the Kuril Islands is several-fold bigger than the assistance Japan might render, he recalls.

No peace treaty should be concluded with Japan in present-day conditions. Any attempt of a hasty "framework decision" will mean a concession on the Russian side, according to Rumyantsev.

Russia does not possess full legal rights to the disputed islands, but Japan does not possess them at all, excluding the right for Habomai, the fate of which can be solved in the U.N. international court, the report says. The dispute is to be solved on the basis of legislative decisions, any attempt to settle it "in private" may be rejected by legislators and be detrimental to the Russian international prestige.

The dispute is to be discussed in public, the point of view of parliamentarians should be known to the president. It is important to boost military dialogue with Japan and discuss all-round measures of trust. Business potential of the Russian Far East should be assessed and effectively used in international cooperation, according to the report.

In the meantime, the visit of the Russian President to Japan should be postponed until the way of solving the dispute is determined, according to Rumyantsev.

Economic Commission Established With Hokkaido

LD2507160592 Moscow ITAR-TASS World Service in Russian 0050 GMT 25 Jul 92

[By ITAR-TASS correspondent Yuriy Vitrishchak]

[Text] Khabarovsk, 25 Jul (ITAR-TASS)—The visit to the Russian Federation by a delegation of the governorship of Hokkaido has ended with the setting up of a standing mixed commission for economic cooperation between Russia's Far Eastern region and the Japanese island of Hokkaido. The delegation, headed by Hiroshi Yamaguchi, head of the Department of Trade of the governorship of Hokkaido, left for home today.

At the talks in Khabarovsk, the areas of partnership outlined previously by working groups were specified. This partnership is taking place within the framework of a bilateral agreement concluded in 1990. Cooperation in the sphere of machine building, agriculture, the fishing industry, wood processing, and the development of infrastructure is envisaged. It has been decided that the

possible opening of permanent maritime communications between Hokkaido, Sakhalin, and the port of Vanino, and also of the Otaru-Niigata-Vladivostok air route will be examined in the near future.

Japanese Companies To Aid Oil Development

LD2607052292 Moscow ITAR-TASS in English 0516 GMT 26 Jul 92

[By ITAR-TASS correspondent Aleksandr Kopnov]

[Text] Tokyo July 26 TASS—Four Japanese companies have decided to set a joint venture with Russian partners to develop oil deposits between the Volga River and the Ural Mountains.

The firms Teikoku Sekiyu, Mitsui Sekiyu Kaihatsu, Toio Engineering and Santek are now negotiating the project with the Kuibyshev Oil Association.

The deposits produce about 300 barrels of oil daily, but the wear of the equipment and shortage of funds may dramatically reduce oil production in the region.

The venture hopes to boost oil production by pumping special chemical agents down the bore-hole to force oil to the surface. The technique will be used on 20-30 oil wells, according to Japanese specialists.

The firms plan to attract the Association of Japanese Oil Companies to finance the project, which is expected to be insured by the Japanese Government. The Russian side will contribute part of the oil to be produced by employing the new technique.

Federation Affairs

Political Issues

Decree on Compensatory Payments to Pensioners

LD2407183192 Moscow Mayak Radio Network in Russian 1700 GMT 24 Jul 92

[Text] We have received a decree by the Russian Federation president on compensatory payments to pensioners. It says the following:

In order to increase the social security of pensioners and guided by the RSFSR Law on the Early Bringing into Force of the RSFSR Law on State Pensions, I resolve:

To implement, starting in August 1992 until new minimum wages and minimum pensions by age are introduced, compensatory payments amounting to 420 rubles a month to pensioners who receive pensions by age, disablement, in cases of loss of a breadwinner for each disabled member in a family, for long service, and social pensions fixed in accordance with the RSFSR Law on State Pensions.

Yeltsin Decree on Promoting Business Expected

LD2707091792 Moscow Mayak Radio Network in Russian 0700 GMT 27 Jul 92

[Text] The drafting of a presidential decree to develop business activity in Russia should get underway this week. RIA has learned that this was agreed at a recent meeting between President Yeltsin and Vladislavlev, chairman of the presidential council for entrepreneurship. The decree is expected to be ready by 27 August. Accordingly, tomorrow's planned meeting between Boris Yeltsin and the council for entrepreneurship has been postponed for one month.

Prokhorov, Aristov Receive Government Posts

LD2507053992 Moscow ITAR-TASS World Service in Russian 0520 GMT 25 Jul 92

[Text] Moscow, 25 Jul—The Government of the Russian Federation has appointed Vyacheslav Prokhorov to head the department for the organization of the administration, property, and business undertakings of the government apparatus.

Boris Aristov has been confirmed as head of Leningrad Oblast's representation under the government.

Constitution Discussion Delayed Until 1993

LD2407165392 Moscow ITAR-TASS in English 1228 GMT 24 Jul 92

[By ITAR-TASS correspondent Aleksey Tabachnikov]

[Text] Moscow July 24 TASS—The new Russian constitution will be most probably adopted at a Congress of People's Deputies early next year, Ivan Fedoseyev, head of the Constitutional Commission, told ITAR-TASS today.

According to Fedoseyev, that time was chosen because the draft constitution had already been sent to all districts of the federation, and they would not be able to send their conclusions earlier than by the end of the current year. He added that there is also a financial reason: The funds allocated for holding congresses this year have already been spent.

Speaking about the session of the Constitutional Commission scheduled for July 29, Fedoseyev said that President Yeltsin's main report would contain a proposal to amend the draft constitution, which was approved by the Sixth Congress of People's Deputies last April. The amendments deal mostly with the status of the head of executive authority and the problem of a balance between the legislative and executive authorities, Fedoseyev stressed.

Security Council Head on Coup Possibility

LD2607212992 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1800 GMT 26 Jul 92

[Interview with Yuriy Skokov, secretary of the Russian Federation Security Council, by correspondent Yevgeniy Kiselev for "Itogi" program; place and date not given—recorded]

[Text] [Kiselev] This week the president of Russia made it clear that the authorities intend to adopt a tough position toward forces actively opposing the reforms. In particular, Yeltsin reported that criminal proceedings are being instigated against Sterligov, head of the Russian National Assembly and former KGB general, and against Anpilov, leader of the Russian Communist Party, for calling for the violent overthrow of the legally elected authorities. Nevertheless, people and pages of the press are still discussing the same question: Will there be a new putsch; can a major political coup in some other form take place?

Here is what a person whose job it is to deal practically with all problems, which to one extent or another concern the security of citizens, society, and the state thinks. Yuriy Skokov is secretary of the Security Council, of which a great deal is being written and said now. He is 54 years old. He previously headed a major enterprise of the military-industrial complex. He very rarely gives interviews. However, he made an exception for Itogi.

[Skokov] Physically, the basis of some kind of possible military coup, a possible putsch, simply does not exist. All talk about some kind of an impending coup is dismissed. The leadership of the Army is oriented clearly toward the president and toward the reforms being carried out by him. The Army supports the president. I can say the same about the Ministry of Security and about the Ministry of Internal Affairs, too. Therefore, there is no threat at all from this direction.

[Kiselev] Alright. What do you think about the prolific talk with regard to the existence of the so-called Party of War [Partiya Voyny]?

[Skokov] If there is talk about there being some individuals who want to use violent methods to resolve political questions, well I do not see such people in the immediate entourage of the president. Therefore, I think this is a term which has been invented, and is an attempt by some enemy to seek, some kind of personal political and generally ambitious agenda.

[Kiselev] I have to ask you several questions concerning yourself and the activity of the Security Council. As far as you are concerned, I would like to ask you: People, the press, call you an enemy of the Gaydar reform, all but the leader of the anti-market lobby. Is that the case?

[Skokov] I support the economic reform and I am also a supporter of the political reform. I realize full well that there is no other way for us. I give its due to the courage of Gorbachev who declared perestroyka, but I absolutely reject his tactics for implementing that perestroyka. I think he took the first courageous step. Further, he made such a number of mistakes which led to very serious consequences well for...

[Kiselev, interrupting] Do you approve of the tactics of Ryzhkov, Gorbachev's prime minister, tactics for sliding very slowly toward the market?

[Skokov] No. No. In any event, neither Abalkins' actions nor Ryzhkov's actions were acceptable to me. In no way am I an opponent of Gaydar—essentially. There may be differences over views on tactics, on the methods and means of their application. Our main differences lie namely in the view that the principles of another system should not be adopted without restructuring the system itself—let us say the methods of regulating the economy—and applying it to us. First of all we must truly go over from one principle of economic management to another. The state sector accounts for 95 percent of the economy today. That is a huge corporation. The state is the owner. The government is nothing more than the executive board of directors of that corporation, and it should act accordingly, and the regulations and procedures which it uses should correspond to that principle. But obviously there is enough realization of that now. Gaydar and I also discussed that question.

[Kiselev] Do you consider yourself to be a player in the same team as him, and do you intend to continue to play in it?

[Skokov] I consider myself—no. I consider myself to be a player in the Yeltsin team.

[Kiselev] Yes, of course. That is what I mean.

[Skokov] Since Yeltsin chose the players as he did, it is his right to choose the players. I play a certain role in that team, as the saying goes, in a certain place, and I am fulfilling that role in that place.

[Kiselev] Incidentally, about the role which you play in that team. Many have assessed the latest decree by the president—the additional powers which were granted by the decree of 7 July—as signifying that the Security Council has in fact been placed, as it were, above the government.

[Skokov] Previously, according to the Constitution, the Council of Ministers was the supreme body of executive power. Now the president is the supreme official in executive power and the Council of Ministers is one of the instruments of that executive power. The Council of Ministers should implement the functions of regulation, administration, and coordination of the national economy. But how should the state be administered? Previously that was performed by the Party. Since the adoption of the decree disbanding party structures, the system of state administration has been destroyed. What is there in place of that? How can that system be administered? Previously, let us say, we operated on the

basis of decisions by the Politburo, on the basis of the program of the CPSU. We say: Let us live like they do in the civilized world.

[Kiselev] Do you mean that the Security Council has taken the place of the Politburo now?

[Skokov] Yes, so to speak; I laid myself bare to you so that you would ask me that question. No, the Security Council has not taken the place of the Politburo. The fact of the matter is that the Politburo was an illegal body. It was not provided for by the law as a body formulating and forming domestic and foreign military policy, a body empowered on behalf of the state to implement that policy, and to impose it upon all. It was a purely party instrument. The Security Council is a constitutional body which guarantees the president the opportunity of carrying out his functions in administering the state, in elaborating measures to protect the interests of society, the state, and the individual. I have to say that the Security Council itself does not adopt decisions which are binding. The president adopts decisions. My functions do not extend beyond monitoring and coordinating the implementation of a decision made and formulated by the president in a document.

[Kiselev] Nevertheless, you have very great powers.

[Skokov] I do not dispute that. There really are a great many powers, but these powers are connected with the fact that I have to guarantee the work of the president. He cannot carry out his functions alone. He needs some kind of apparatus. I am a part of his apparatus.

[Kiselev] What are your relations, let us say, with State Secretary Gennadiy Burbulis now? How do you divide your duties?

[Skokov] Well, you see the duties of the state secretary are not stipulated either legislatively or constitutionally anywhere. The duties of state secretary are not stipulated or outlined anywhere. Therefore, I think that Gennadiy Eduardovich is implementing quite specific and definite instructions from the president, and so far we have not crossed anywhere. We do not have any contradictions.

Unawareness of Security Council Revealed

LD2607224792

[Editorial Report] Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian in its "Itogi" [Results] program at 1800 GMT on 26 July carries six minutes of video clips of interviews with Sergey Karaganov, Doctor of Historical Sciences and deputy director of the Institute of Europe of the Academy of Sciences of the Russian Federation; Dzhakhan Polliyeva, service consultant to the advisor of the president of Russia on political questions; and Vladimir Rubanov, a founder of the Council for External Defense Policy and first deputy chairman of the Russian Government Committee for Defense and Security in 1990-1991. The interviews deal with the Security Council of the Russian Federation.

Rubanov says: "By no means all the steps of the Security Council inspire optimism or inspire the hope that this body may become a necessary instrument for implementing policy in the sphere of security."

Polliyeva says: "The significance of that body can apparently be explained by the fact that representatives of both the legislative branch and the executive branch of power are permament members of the Security Council."

Announcer Yevgeniy Kiselev then presents the results of a survey carried out by the the Institute of Sociology and Parliamentarianism which show that the electorate has practically no knowledge of the Security Council. In reply to the question "Does a Security Council exist in Russia?" only 37 percent of Muscovites said "yes", 19 percent said "no", and 44 percent said "don't know". Kiselev says: "These figures show that many simply confuse the former KGB with the Security Council due to its rather indeterminate status. You will agree that the laconic definition 'constitutional body' does not say very much."

Polliyeva then says: "The Security Council contains the potential risk of the possibility of violating the principle of the division of power. For today there is no precise definition of the status of that body. Nowhere does it say precisely that it is an executive body of power or a legislative body of power and one gets the impression that it is sort of supra-departmental structure. To all appearances, some kind of changes must take place at the legislative level in order to define that status more precisely."

She says that there are five permanent members in the Security Council today and that the president must beef up the membership of the council to reflect the full spectrum of political opinions in the country; otherwise, she warns, he may be outvoted at times.

Congress of Democratic Russia Movement Opens

LD2507163992 Moscow ITAR-TASS in English 0731 GMT 25 Jul 92

[By ITAR-TASS correspondent Oleg Velichko]

[Text] Moscow July 25 TASS—An extraordinary congress of the Democratic Russia Movement, which opened here today [25 July] on the initiative of its regional branches, will discuss issues dealing with the political and economic situation in the country.

Delegates to the congress intend to adopt the movement's rules in a new wording and to discuss the main points of its political and economic platform.

Democratic Russia Faces 'Schism'

LD2507183592 Moscow Russian Television Network in Russian 1600 GMT 25 Jul 92

[From the "Vesti" newscast; report by correspondents Yu. Rostov and V. Budnikov]

[Text] [Rostov] An extraordinary congress of Democratic Russia opened in Moscow today, 25 July. Unlike the centrists, to the right of the government and rapidly uniting, the left wing of our political spectrum is on the verge of yet another schism. The Democratic Russia congress has been called by Yuriy Afanasyev and Marina Salye, who favor a more radical line. Even before the congress began they declared that if they could not win over the majority then they would once and for all break away from Democratic Russia.

[Budnikov] A significant number of regional branches have refused to take part in this Democratic Russia congress. They support the line taken by such well-known figures as Zaslavskiy, Ponomarev, and Yakunin, who plan to turn Democratic Russia into a pro-government public organization. But the people at the congress are in opposition to the government, and feel that the country is being run by a second-generation political establishment. The split in Democratic Russia could soon become official. Congress delegates are talking about setting up an alliance incorporating all Democratic Russia members sharing their views.

[Rostov] The only thing that is clear about Democratic Russia at the moment is that the bloc is currently unstable. Meanwhile, the centrists opposing them are uniting. By centrists, I mean the emerging Volskiy-Travkin-Fedorov-Borovoy coalition.

[Commentary by I. Zargaryan] The distinguishing feature of these people is that they have achieved considerable success in business and that they are, shall we say, not entirely enamored of the government's policies. Arkadiy Volskiy's All-Russian Union for Renewal is increasingly trying to determine economic policy in the country. Along with the Rutskoy-Travkin party, it has already formed the Civic Union bloc, which calls itself a constructive opposition to the government. Yesterday, Volskiy signed an agreement on cooperation with the Economic Freedom Party of Konstantin Borovoy and Svyatoslav Fedorov. The directors' party and the businessmen's party intend to achieve their aims via the parliament. Volskiy is banking most of all on the Industrial Union faction. The leaders of this powerful emerging directors lobby say that their aim is to save the country's industry. In the current environment this means: To save major state sector, especially defense sector, enterprises. The directors are demanding tough controls on energy prices, indexation of enterprises' working capital and, to ensure this, credits of at least 4 trillion rubles.

They also propose indexing incomes and dropping plans to make the ruble convertible. If these proposals are put into effect, it will mean scrapping the policy of financial stabilization that the current government is trying to pursue.

[Rostov] Yuriy Afanasyev, one of the initiators of today's Democratic Russia congress, said in an interview yesterday that Borovoy, Volskiy, Fedorov, Travkin, and their associates could in the near future become the most substantial force in opposition to the government. They favor less dramatic action than Gaydar's team. They rely on skilled and professional personnel, on career people. In this respect, Fedorov has been highly successful at organizing and putting into effect the latest advances in eye microsurgery. On the whole, this emerging coalition can probably be described as the technocrats and new nonstate sector business bloc. At the moment they are to a degree in a vacuum, because both the state sector and the private sector are being run by people who are not career officials or administrators. And their experience is quite different, acquired in research and institutes rather than in industrial management. Although superficially at least, the right- centrist coalition now being formed stands for a variety of things; what is likely to unite them is the need for professionalism and competence. Right now, this is a highly attractive feature. There is a whole patchwork of political views in Russia, but literally every political group agrees that more professional leadership is needed. And the industrialists and experts bloc has plenty of professionalism. Let me just remind you that the absence of dialogue about reforms is not the main thing preventing the reformers from uniting. A new dialogue could well be based on demands for professionalism and competence.

So Yuriy Afanasyev was probably right to consider the Volskiy- Borovoy-Travkin-Fedorov grouping one of the most promising alliances currently in existence, despite the provisional nature of their agreement. What is important is this: Will the government bloc opt for alliance with the centrists, or for confrontation with them?

Conference Called 'Illegitimate'

OW2407145192 Moscow INTERFAX in English 1356 GMT 24 Jul 92

[Transmitted via KYODO]

[Text] The conference of the "Democratic Russia" movement being organized now in Moscow by supporters of Yuriy Afanasyev and Marina Salye is rejected as illegitimate by members of the movement's council. The reason is that the council's recent plenary session already appointed an early conference for late September and early October. All that has been explained to INTERFAX by the council's member Anna Mayanz who maintains links with the movement's regional branches in Russia's North-West.

According to A. Mayanz, many delegates for the "illegitimate" conference actually have no mandates, and out of the 70 regional branches only 20 are properly represented.

Salye Warns Against Dictatorship

OW2507125692 Moscow INTERFAX in English 1218 GMT 25 Jul 92

[Transmitted via KYODO]

[Text] "Russian people are being conditioned for allegedly inevitable dictatorship - direct presidential rule in the transitional period," warns a leader of the radical group in the movement "Democratic Russia" - Marina Salye. She was speaking at the movement's conference called in Moscow by that group. She pointed out that even now local structures are being prepared to act similarly to last year's failed Emergency Committee. She forecasts further limits on civic freedoms, including the freedom of the press.

M. Salye has called on all members of "Democratic Russia" to pass over into resolute opposition to the anti-democratic and anti-people forces. She reminds that "President Yeltsin never committed himself to Russia's democratic forces." To finish her analysis of the situation she noted, "We still live under the patched-up old constitution and in the old communist regime." The conference will continue its work on Sunday [26 July].

Radical Wing Opposes Government

LD2607175192 Moscow ITAR-TASS in English 1415 GMT 26 Jul 92

[By ITAR-TASS correspondent Yuriy Vdovin]

[Text] Moscow July 26 TASS—"The extraordinary congress of the Democratic Russia movement is not a congress but rather a regional conference of the organisation," Marina Salye, co-chairman of Democratic Russia, chair of the organising committee of the congress, told ITAR-TASS.

Throughout the second day of the congress, its participants discussed the regulations of the movement and the declaration which stated that "the political situation in Russia is characterised by the establishment of a 'right wing' opposition to the course of radical democratic transformations and the increasing deviation from the course of reforms by Russian President Boris Yeltsin and the present composition of the Russian Government." Salye said that earlier, when the plans of reforms had been drawn up, Democratic Russia unconditionally supported the president, but now that no practical results were apparent, Democratic Russia disagreed with the government policy. She added that in this connection the radical wing of the movement demands the immediate convocation of an extraordinary congress of Democratic Russia to draw up an action plan in the present political and economic situation and to determine the status of radical groups.

"We do not insist on withdrawing from the movement, but we hope that the radical wing will win at the next congress", Salye said.

The co-chairman of Democratic Russia believes that the main task at present is to convene a constituent assembly which will work out and adopt a new constitution and will reelect all government bodies on its basis.

The congress ends on Sunday [26 July].

Social Democrats Distance Selves

LD2407180192 Moscow ITAR-TASS in English 1642 GMT 24 Jul 92

[Text] Moscow July 24 TASS—The "Democratic Russia" ceased to be a "broad democratic coalition" and has no right to "claim to be a successor to the whole democratic movement," a statement made by the Social-Democratic Party of Russia says.

Mass media quote the statement today as saying that the "Democratic Russia" is being divided into two political factions: The radical-liberal faction (Afanasyev, Salye, and others) and the pro-governmental one (Bokser, Ponomarev, and others). "We do not approve the radical democrats' methods which are destroying the building of a state of the new Russia. Neither do we share the headlong support of the state leadership of the Russian Federation by the official leaders of the movement," the statement says.

The political council of the Social-Democratic Party of Russia "considers it inexpedient for representatives plenipotentiary of this party to take part in all-Russian measures carried out by both factions of the 'Democratic Russia,'" the statement says.

'New Organization' Emerges

OW2607140192 Moscow INTERFAX in English 1150 GMT 26 Jul 92

[Transmitted via KYODO]

[Text] On Sunday [26 July] at the congress that gathered regional affiliations of the movement "Democratic Russia" a new organization and faction emerged within the movement. At their morning session delegates discussed the rules of the new organization and its declaration.

By mid-day the declaration was signed by the representatives of 39 regional affiliations. The document will be open for signing until September. In late September the council of representatives of the new organization will convene to adopt the rules and elect leading bodies.

In comments on the split in the movement Telman Gdlyan, cochairman of the People's Party of Russia, said

that there was no need to form a new organization. According to T. Gdlyan, Democratic Russia accomplished its task at a certain period of history, and now it is moving toward disintegration. As for the future, it belongs to clearly defined party structures. And since no party in Russia can claim the role of leader, in the future blocs of parties will have to be formed.

Draft Rules, Declaration Adopted

OW2607165292 Moscow INTERFAX in English 1600 GMT 26 Jul 92

[Transmitted via KYODO]

[Text] The Democratic Russia Movement [DRM] has ended its congress in Moscow by adopting a number of documents including draft rules and a political declaration.

In a resolution outlining the Movement's attitude to industrialists and entreprenuers, the congress offers cooperation "only to those entrepreneurial and industrial organisations which do not want to be used as an instrument for establishing a new dictatorship."

The congress also called on the governments of CIS, the Baltic states, and Eastern Europe for international court hearings into the case of the Soviet Communist Party and KGB.

In one other resolution, it condemned recent parliamentary deliberations on the mass media describing them as the top legislature's encroachment on freedom of speech, one of the basic civil freedoms.

The leader of the Movement's breakaway faction, Marina Salye, who broke off with DRM yesterday speaking in an interview with IF [INTERFAX] described what had happened as the formation of a radical wing in the Movement. She said the new organisation would work closely with DRM's faction in parliament. Member of DRM's council of representatives Vera Kriger who attended the forum as observer was critical of the new opposition to the government. "I don't think they have anything to offer apart from a desire to be in the opposition," she said.

Sobchak Assesses Government 'Mistakes'

LD2507200292 Moscow Programma Radio Odin Network in Russian 1500 GMT 25 Jul 92

[Text] There are three centers of power in Russia that are waging an exhausting battle among themselves, Anatoliy Sobchak is convinced. He spoke today at a forum dedicated to the formation of the Civic Union [Grazhdanskiy Soyuz] in St. Petersburg and Leningrad oblast. Sobchak explained that he means the president and his team, the government, and also the parliament, which is assuming functions uncharacteristic of it. Supporting the idea of consolidating democratic forces in order to save Russia, the mayor of St. Petersburg, unlike other speakers, held back from sharply criticizing Yegor Gaydar and his colleagues but, speaking of serious mistakes by the government, stressed that the ideology of financial relations must be changed, an end must be put to the price disorder, and land reform must be implemented resolutely.

A statement was adopted that supports the course toward further deepening the reforms with considerable amendments to the policy being carried out by the Russian leadership.

Agricultural Issues

Rutskoy Holds Agrarian Reform News Conference

LD2407192492 Moscow Mayak Radio Network in Russian 1440 GMT 24 Jul 92

[Text] Several important news conferences took place in Moscow today, including one given by Aleksandr Rutskoy, Russian vice president. Its topic was the situation in Russian agriculture, agrarian and industrial reforms, and the creation of a federal agrarian and industrial centre. Here is an excerpt from this meeting:

[Begin recording] [Afanasyev] FEDERATSIYA, a government newspaper, Platon Afanasyev. In the conditions of a moratorium on land declared by [word indistinct], how is a price mechanism going to be readjusted in the fall with regard to purchasing land and the price of land which will be determined in the fall?

[Rutskoy] In fact, why does it make sense to implement the land reform and where is its initial, starting, point as it were? It is the creation of a system of land banks. In other words, land certificates will be issued on the basis of stock-taking and the assessment of land. They will reflect the direction of using these plots of lands. In other words, an agricultural certificate for agricultural lands; a certificate for lands used for industrial and civil construction; also a certificate for using forests and small internal reservoirs meaning ponds, lakes and so on and so forth.

A policy of prices will be defined in accordance with this system. At the present moment this issue has not been finally resolved and, in fact, it is not possible to say today that there is a definite program adopted by the government. The process of summing up general results is now going on, so to speak. But this is the way we see the idea and the goals.

[Manchin] Manchin, KRESTYANSKAYA GAZETA. There is the Russian agrarian union. What are the relations between the federal center of the agrarian and industrial reform and this association?

[Rutskoy] Articles saying that this general is setting up yet another agrarian and industrial committee are even appearing in the mass media and so on and so forth. I will give the floor to Aleksandr Vladimirovich

Yanovskiy to produce some general information on what the federal center and land agrarian and industrial reform are going to be like.

[Yanovskiy] The center will not become a second ministry of agriculture. This center has been planned fundamentally differently. In other words they won't overlap. They will be involved in completely different processes. The center will be a coordinating and monitoring structure whose task will not be to sit on the bags of money allocated for the agrarian sphere but to ensure that all social individuals of the agrarian sphere interact with the help of a special type of programs and projects and the drawing up of network systems. And once it manages to establish a cultural tradition of the interaction of all individuals of the agrarian sphere, the center itself will be eliminated.

Here is a written question from the SIBIRSKAYA GAZETA weekly. Could you tell us about the reaction of the Russian administration and the government to the situation of selling bread to the state. What measures are you going to take should collective farms dig their heels in?

[Rutskoy] The government has adopted an appropriate decision to cash 1990 harvest cheques and a special purpose programme is now being calculated. This settling of accounts will take place. It will be compulsory. I supervise this matter at the instruction of the president. As for settling 1991 accounts, the government has now suggested... [changes thought] there was a promise to pay in hard currency, but you know that we have certain difficulties with hard currency. That is why agricultural employees were offered the equivalent of a dollar sum at the present market exchange rate. This issue will also be resolved. Purchase prices are now being argued about. Yes, competition has now emerged. Stock exchanges offer 15-16 rubles [R] per kilogram of grain. The government offers R8-10, sometimes even R6, and hence, this argument is now going on. But I think it will all be settled. The thing is that many of those who work on land understand well that farms do not presently have any facilities to preserve grain, simply do not have them. And the harvest which has been gathered might simply be ruined as a result of the standpoint and the policy line some of the regions presently adhere to. That is why one should approach this issue more seriously. Why? Because the government is doing its best in looking for all the ways and all the possibilities of cashing 1990 harvest cheques and of paying for 1991 harvest. And correspondingly, a preferential credit has now been allocated by the state purchase committee. [end recording]

Comments on Goals

MK2507123092 Moscow NEZAVISIMAYA GAZETA in Russian 25 July 92 p 2

[Yevgeniy Krasnikov report under "Facts, Events, People" rubric: "Apparatus Will Not Permit Famine"]

[Text] Vice President Aleksandr Rutskoy held a news conference at the Russian Foreign Minister Press Center 24 July devoted to the upcoming reforms in agriculture. Answering questiones from a NEZAVISIMAYA GAZETA correspondent, Rutskoy stated that he is entirely satisfied with the level of authority vested in him by the presidential decree in terms of implementing the necessary transformations in agriculture. "I do not want to control agriculture; I want to be responsible for reforming it," the vice president stated. According to what he said, Rutskoy intends making a start on his reforming activity in the countryside in the very near future, as soon as President Yeltsin has signed a decree setting up a system of land banks. In his words, there will be no famine in the country, because "the president, the apparatus, the government, and parliament" will not permit it.

Today the vice president flies out to Spain to take part in the opening of the Olympic Games. His visit is expected to extend to the end of the month.

Rutskoy Cites Stolypin's Ideas

LD2507030692 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1700 GMT 24 Jul 92

[Correspondent I. Minayev report on news conference by Russian Vice President Aleksandr Rutskoy in Moscow on 24 July; from the "Novosti" newscast—passages within quotation marks are recorded]

[Text] Aleksandr Rutskoy, who recently was named to head the federal center for agro-industrial reforms and who bears personal responsibility for it, made it clear from the very outset that he has not lost his interest in the problems of petty politics, both domestic and foreign. In his opinion, Russia is facing a dilemma: It must choose either the path of socially oriented reforms or more revolutionary chaos.

As far as long-suffering agriculture is concerned, things are not going well. In Rutskoy's words, however, the parliament, government, and president will do everything to guarantee that there is no famine. It has been decided to issue checks to pay peasants for state orders for the 1990 and 1991 harvests. It has also been decided to grant credits on preferential terms in exchange for the purchase of the present harvest, thereby ensuring that the peasants will not destroy the state purchases.

At times the news conference gently turned into a presentation of the vice president's recently penned book on "Agrarian Reform in Russia," a major work with a lot of diagrams and graphics.

Our weak, impoverished, and exhausted land must be opened up because the land is our reserve of strength in the future, the land is Russia. The vice president chose these words of Stolypin [conservative statesman who after 1905 Russian revolution introduced land reform

measures aimed at allowing peasants to own land individually] as an epigraph to his book.

[Rutskoy] "This work, which I wrote with the help of a large number of my colleagues, Russians and Americans at universities, is a systematic account of the views put forward by Petr Arkadieyevich Stolypin, taking into account the renowned formula by which he was always guided: liberal reforms, strong power. Simply, no reforms will work or progress under anarchy."

Economic Issues

Yeltsin Discusses Regulation of Fuel Prices

LD2407171692 Moscow Russian Television Network in Russian 1600 GMT 24 Jul 92

[Report by correspondent S. Milyanchikov; from the "Vesti" newscast]

[Excerpt] [Passage omitted] There is no problem in this city with gasoline, thanks to the Omskneftekhimorgsyntez refinery, one of the largest such enterprises in the country. During his meeting with workers at the refinery, the president answered numerous questions about the progress of economic reform and the current situation in the country. The issue of fuel prices was not overlooked.

[Begin Yeltsin recording] They have to be deregulated, as you say, that is quite right, but gradually, in phases. So now we are raising the prices and then fixing them, raising them and fixing them. It will happen again by the end of this year, and all of 1993 will be spent doing this and only by the end of 1993 will fuel prices be deregulated. That is the last thing for us to do. [end recording] [passage omitted]

Government Commission on Reforms Established

OW2407211992 Moscow INTERFAX in English 1832 GMT 24 Jul 92

[Transmitted via KYODO]

[Text] At its Friday [24 July] session the Russian government passed a resolution on creation of a commission on implementing the programme of economic reforms' deepening which will be headed by Deputy Prime Minister Anatoliy Chubays, the leader of the advisers' group to the chairman of the government Aleksey Ulyukayev declared at a press conference on Friday.

Beginning this month the programme of economic reforms' deepening enters the stage of its implementation, he stressed. Its main aim is to coordinate the activity of ministries and institutions.

The government has formed a schedule of priority measures on transformation of the Russian economy. Ulyukayev said that among them is a preparation of conditions for introduction of ruble's convertibility, which according to the government may be achieved early next year, trading of state enterprises, and introduction of cheques on privatization for the population, a creation of a state contract system of procurements, an agrarian reform.

Speaking on the ruble zone, Ulyukayev pointed out that at present Russia signed corresponding agreements with Ukraine, Estonia, Latvia (introducing their own currencies) and Byelarus (which remains in the ruble zone). Similar agreements are to be concluded with other republics before October this year.

Ulyukayev doubts that the government will agree to the purchasing prices for grain (minimum 16 thousand rubles per ton) proposed by collective and soviet farms. According to Ulyukayev, the governmental prices amounting to 8-10 thousand rubles per ton seem to be "optimal." But if the Russian producers block selling of grain to state reserve then the purchases will be organized in Kazakhstan which agrees to the prices totalling 10 thousand rubles a ton.

News Conference on Session

LD2407193992 Moscow Mayak Radio Network in Russian 1422 GMT 24 Jul 92

[Report by correspondent Vera Shchelkunova]

[Text] [Shchelkunova] A meeting of the Russian Government was held today, 24 July. Its subject was the following: the implementation of the program for the intensification of economic reform. As you know, this program is only in draft form so far. The draft has been submitted to the Supreme Soviet, which is now working on the harmonization of positions. Many people, including scientists, experts, and representatives of ministries and departments, are taking part in all this work. However, the republic's government believes there is already a need for certain points of reference in order to implement the program. Things cannot be put off indefinitely. We are already aware of the fate which befalls similar reforms—or other reforms—if they are discussed for too long.

So today Anatoliy Borisovich Chubays, the program's main author, was given a week, literally, to form a commission which will work on the implementation of this program, or, at all events, its most important measures. The commission is to include heads or representatives of all the main ministries and departments. An important point to note is the fact that the commission's decisions will be binding on the various levels of administration.

Reviewing the discussions, Gaydar said that a certain shift in legislative activity is now apparent. In other words, there have already been many legislative initiatives to amend existing laws, on the publication of fresh decrees, decisions, and so on.

[Announcer] Programs, amendments.

[Shchelkunova] Yes, yes, yes, amendments, additions, and changes. But now we need immediate measures to exercise responsive leadership. This will be one of the tasks of the Chubays commission. I remind you that he has a week to form this commission and start work.

All this was disclosed today at a news conference on the results of the government meeting given by Aleksey Ulyukayev, head of the group of advisers to the government chairman. He was asked various questions—and not just about the government meeting, of course. Many questioners were interested in the change which has occurred in the leadership of the Russian Central Bank and, in general, all matters connected with money. As you are aware, this is a burning issue, especially now that Viktor Gerashchenko has taken over the leadership of the Central Bank. He was chairman of the Union's Central Bank. However, he clearly fell out of favor with the new leadership formed after the putsch. So, he suffered for his political convictions—you could put it that way. Nevertheless he is, of course, a high-class specialist, [words indistinct] in the world. So Aleksey Ulyukayev answered some questions about Gerashchenko and money matters in general. Please listen to what he had to say.

[Begin Ulyukayev recording] Naturally the change in the leadership of the Central Bank will entail certain changes in the activities and policies of the Central Bank. But this certainly does not signify any difference of opinion between the government and the Central Bank. On the contrary, I would say that there is now a basis for closer cooperation between the government and the Central Bank. In the first place, Gerashchenko is a well-known and highly qualified banker. That is the first thing. Second, he is well-known in the West and has the respect of Western financial circles. Third, there is a good level of personal mutual understanding between Gaydar and Gerashchenko. This applies to cooperation between the government and the Central Bank, in general, and to the problem of ruble convertibility, in particular. We have never said that we can achieve full convertibility of the ruble in a very short space of time. We are moving towards it step-by-step. Our next objective is to achieve convertibility in current transactions for residents and non-residents, at a fixed ruble rate. We reckon that we can achieve this at the beginning of next year.

The main thing to note is that we aim to reach agreements with the states in the present ruble zone. As you know, we have already reached such agreements with three states—Estonia, Ukraine, and Byelarus. We reckon that by October we will have reached such agreements with all the other states which currently use the ruble as a currency.

By the end of the year we should have an inflation rate of no more than six percent a month. This is a basis for the introduction of convertibility. [end recording]

Foreign Ministry Funds To Be Cut

OW2407193692 Moscow INTERFAX in English 1615 GMT 24 Jul 92

[Transmitted via KYODO]

[Text] Sources close to the Cabinet of Ministers told "IF" [INTERFAX] that at the Friday [24 July] session of the Russian government the acting Premier Yegor Gaydar declared about his intention to cut the currency financing of the Foreign Ministry in half. The Foreign Ministry head Andrey Kozyrev has received an instruction to prepare concrete proposals on reducing the staff of the Russian diplomatic missions abroad in two weeks.

The Foreign Economic Relations Minister Petr Aven has put forward an idea on commerciality of the Russian trade-economic missions in foreign countries what will help to achieve their self-financing already by the end of 1993. He spoke on creation of trade houses under Russian trade missions abroad. A final decision on this issue (on commerciality) has not been adopted.

Informed sources told "IF" that in an hour and a half after the governmental session Gaydar departed for Valday for a week leave (to the north-west from Moscow).

The next session of the Cabinet is supposed to be held on July 30.

Foreign Debt To Be Reorganized

OW2407211892 Moscow INTERFAX in English 1832 GMT 24 Jul 92

[Transmitted via KYODO]

[Text] According to "IF" [INTERFAX], the Friday [24 July] session of the Russian government was examining a reorganization plan of the foreign debt. In accordance with this plan the Russian government is expected to declare nonfulfillment of solidary [as received] responsibility for debt and payments on service of debt by the former USSR countries in July. Creation of an arbitration commission and auditor verification of the foreign economic bank of the former USSR will follow that declaration. It is expected that Russia will announce its intention to take all the responsibilities for the USSR foreign debt in August.

According to the plan, the cabinet will begin negotiations with the former USSR republics to draw up their share in the USSR debt like a debt to Russia. An appeal to the Paris Club is expected to be sent in September proposing to begin negotiations on realization of debt.

Responding to "IF" on possible announcement of nonfulfillment of memorandum of solidary [as received] responsibility for debt by the former USSR countries in July, the Deputy Prime Minister Aleksandr Shokhin

said: "July is not over yet." He explained that a delay of foreign debt payments granted by the Paris Club is in force until September 30.

For today Russia is the only one out of all the former Soviet republics which although partially is paying off the foreign debt. According to "IF," over the first half of the year Russia has paid less then 30% of its debt.

External Debts of USSR Bank To Be Paid

OW2607134192 Moscow INTERFAX in English 1150 GMT 26 Jul 92

[Transmitted via KYODO]

[Text] Hard currency belonging to individuals and frozen in the USSR Bank for External Economic Relations [EER] will evidently be returned to them this year or early next year, Russia's First Deputy Finance Minister Andrey Vavilov told IF [INTERFAX]. According to estimates, the Bank owes some 320 million dollars to formerly Soviet citizens.

The Bank's debt to legal entities inside the country is to be paid with the help of hard currency bonds to be issued by the Finance Ministry, said A. Vavilov. Payment time might depend on the category of clients, but it will not exceed 15 years. Dividends are to make up 3% annually. A final decision on this matter is to be taken by the presidium of Russia's parliament. According to information available to IF, the Bank owes some 9 billion dollars to legal entities.

With reference to the fate of the USSR Bank for External Economic Relations A. Vavilov pointed out that the decision to reorganize it might be taken by the presidium of Russia's parliament in the near future. Under a draft decision the Bank might be transformed into a joint-stock bank with the controlling package in the hands of the Finance Ministry.

The First Deputy Finance Minister did not rule out the possibility that the Bank for EER will regain the right to sell gold in world markets on behalf of Russia's government.

Last March this right was transferred to Russia's Foreign Trade Bank.

Foreign Trade Minister Aven Interviewed

PM2407140592 Moscow KRASNAYA ZVEZDA in Russian 24 Jul 92 pp 1, 2

[Interview with Petr Olegovich Aven, Russian Federation Minister of Foreign Economic Relations, by Mikhail Pogorelyy under the rubric "Interlocutor of the Day"; place, date not given: "Today We Are Normal Trade Partners"—first two paragraphs are introduction]

[Text] Petr Olegovich Aven is the Russian Federation minister of foreign economic relations. He was born in Moscow in 1955 in the family of a scientific worker. He is a Lett. He studied at the Moscow State University Economics Faculty and at Academician Shatalin's Department of Mathematical Methods of Economic Analysis. He defended his thesis in 1980. He worked in the USSR Academy of Sciences Institute of Systems Research and in the International Institute of Applied Systems Analysis.

He has studied mathematical economics, and later statistics, questions of the practical reform of our economy, and the experience of Bulgaria, Hungary, and Poland.

[Aven] So you can see that before my appointment as minister in the fall of last year I had really never worked in any apparatus and had nothing to do with the bureaucracy...

[Pogorelyy] Does that make things easier or harder?

[Aven] I think there are both pluses and minuses. At first, when you have little understanding of apparatus rules work, it is very hard: How should decisions be adopted in order to ensure that they are fulfilled, how should they be coordinated? You think that if a decision has been adopted, it will be implemented; then you learn that no one has even thought of doing anything, no one has begun to implement the decision... Also, I did not know people at the ministry. That was a minus.

On the other hand, there are things that seem crazy to people who have spent their whole lives working in the apparatus and leading our economy... We are often criticized on the grounds that we do not know the economy. That is untrue. For several years I spent a couple of months working in the countryside—I studied how kolkhozes, rayon agro-industrial associations, and party rayon committees worked. I did the same thing in plants. But for people who have spent a long time or even their whole lives working in the apparatus, many ideas that seem possible "on the outside" seem crazy "from the inside." We did not have this burden.

Now we have reached the second stage of the reforms—in July the president signed a series of decrees. I see the main turnaround and achievement of the first stage as lying in the fact that in November many people regarded us as madmen proposing something impossible. But now everyone we work with regards us as normal partners who always propose sensible things.

[Pogorelyy] Petr Olegovich, you mentioned the personnel problem. It is no secret that in foreign trade there have always been plenty of people who got their jobs through patronage and sought advantageous postings abroad, although many lacked the necessary education. Moreover, many skilled specialists have gone off to so-called commercial structures recently. On top of that there have been the reorganizations and reshuffles of the Ministry of Foreign Economic Relations—it was even merged with the Foreign Ministry...

[Aven] Competent people have indeed left. Not "wire pullers" but the most capable workers, who could easily

find jobs, including in commercial structures. This is a great loss, of course... We are now making unprecedented efforts to get some of them back.

A few words about "influence"—I did not enjoy it. My father was "merely" a professor of computing and doctor of sciences—I could not get into the Moscow State Institute of International Relations, it was quite impossible. And I have a certain mistrust of those who were able to get in there: 95 out of 100 got in through patronage. Both the Foreign Ministry and the Ministry of Foreign Economic Relations were always the closed world of an elite caste. Therefore in many respects we have begun a renewal of cadres at various levels. But this problem still remains. So far as personnel abroad are concerned, whom as yet we have done little to tackle. And it remains, or at any rate remained until recently, with regard to the three military main administrations of our department (the "Oboroneksport" and "Spetsvneshtekhnika" foreign economic associations, and also the main administration for cooperation and collaboration—Editorial Note). They contained a huge number of children of the military leadership, a "close, cohesive group." Now, of course, we have changed the chiefs of the military main administrations. All three are nobody's proteges, have served honestly, and have made their own careers. One came from the General Staff, another from the Main Intelligence Directorate, and the third used to be a staffer of ours. They are Major Generals Sergey Karaoglanov and Valeriy Brailovskiy and Captain First Rank Valentin Trofimov.

[Pogorelyy] Petr Olegovich, I think the activity of your department is relevant and necessary to every Russian. Although not everybody thinks this about it. But the activity of the Ministry of Foreign Economic Relations is not just a matter of importing food and consumer goods. It also means credits and technological, scientific, and technical support for our reforms. Not necessarily things you can see or touch, but they work to the benefit of us all: In a single country it is scarcely possible to implement the reforms now taking place in Russia.

[Aven] I believe we are now moving in the right direction. Indeed, what we do is one of the most complex aspects of the reforms. Not because we purchase grain, sugar (about 70 percent), and half the vegetable oil. That is important. But the main thing is that foreign trade must somehow compensate for the fall in demand inside the country and complement somehow the structural perestroyka that is beginning inside the country and is clearly resulting in both unemployment and failures on the domestic market. The main remedy is integration of the Russian economy into the world market. And also investment. It will be a breakthrough when investment comes in. So long as this does not happen—and it is not happening yet—we will be in a grave position.

[Pogorelyy] You say investment is not coming in. Public opinion links this with our domestic political instability...

[Aven] I think that is indeed the main factor, I agree with that.

[Pogorelyy] Another point about public opinion. There is "the opinion" that our debts (the West makes them $65 billion, they total over $70 billion according to our system of computation) could be repaid by demanding payment from our debtors. Of course, not all of them can pay. But there are plenty of facilities that we constructed abroad. Maybe we could lay claim to ownership of them and sell them for hard currency?

[Aven] That is exactly what we are doing. There are various situations. There are countries that impertinently say: "We are not going to pay, period!" (of course, many indeed have no way of paying). I could cite the example of Cuba, which is refusing even to discuss debts with us, although they amount to many tens of billions...

[Pogorelyy] This clearly provides food for thought when it comes to choosing partners for the future.

[Aven] Of course. Unfortunately, throughout our life we dealt not only with democratic regimes, but also with any regimes so long as they hoisted the red flag. That was indeed the case. But I am not inclined to rapidly abandon our long-term interests. We must maintain a balance. In this way, beyond any doubt, we have now lost our main markets, for arms, for instance. This too is a bad thing. But in general, to be blunt, the problem is our long-standing orientation toward unstable and unpredictable regimes—will they cease payment... Admittedly, the Americans too have become involved with a number of countries where they too can get no repayment. We are not alone in this respect.

[Pogorelyy] Petr Olegovich, you mentioned the arms trade. What do you think: Does the campaign criticizing Soviet weapons mounted in both the Soviet and foreign press after the war in the Persian Gulf reflect the real situation, or is it a manifestation of the competition for markets that firms are engaging in?

[Aven] I think that both are true. On the one hand, markets are not shared, they are won, of course. The arms market too is a field of harsh competition in which various mechanisms are used, including some that are not always scrupulous, which we constantly encounter from our long-standing competitors. Attempts are indeed made to squeeze us out—very big money is involved.

On the other hand, it must bluntly be said that for many years the military equipment we supplied was not the best. It is no secret we kept the best for ourselves. For instance, the Americans were not afraid to supply "Patriot" missiles or F-16's, whereas we did not supply anyone with our similar, most modern systems.

[Pogorelyy] But there has now been a change. For instance, modern aircraft are displayed at many international exhibitions. According to many assessments, they are indeed the best...

[Aven] Indeed, indeed. The MiG-29, MiG-31, and Su-27 are brilliant aircraft, I think. And totally competitive. And the S-300, the mobile version, Yefremov's, is better than the "Patriot."

[Pogorelyy] Probably unlike the old Union Ministry of Foreign Economic Relations, you now have far more work—because of the so-called "nearby foreign lands." Is this too your ministry's field?

[Aven] That is true, but only partly so. Because there is a special ministry—the State Committee for Cooperation—and it deals in general with relations with nearby foreign lands, including trade. So we do not deal specifically with this. It is our responsibility merely to coordinate general foreign economic policy.

[Pogorelyy] Russia is often accused of imperial ways, people say that Russia has robbed and is robbing them...

[Aven] That is totally untrue. Now that normal, realistic prices are appearing, we can see what a huge positive balance of trade Russia is getting: as of today, over 300 billion rubles in real terms. Plus we are still keeping prices of energy sources, for instance, below world levels. That constitutes billions of dollars in subsidies to the former Union republics.

[Pogorelyy] In your view, could this strong economic position enjoyed by Russia not be used as an instrument for safeguarding the rights of Russian minorities in the former USSR republics?

[Aven] I don't think we should issue threats... There is always the threat of economic sanctions, of course. Everybody is aware of that. I think the leaders of all republics also bear this in mind. But that sort of direct bargain—we will give you more products if you ensure rights for the Russian-speaking population—is scarcely possible. And if we turn off oil supplies to Latvia, Estonia, or Lithuania, this is scarcely going to help mutual understanding.

The question of the Russian-speaking population's rights is so important that it is not even worth linking it with things like oil, for instance. But we must seek by every available means, primarily by political means, to ensure that these rights are safeguarded. Of course, it is disgraceful that in some places any kind of division of people into first- and second-class citizens is taking place.

[Pogorelyy] Is it true, Petr Olegovich, that you are the youngest minister in the government?

[Aven] No, Gaydar is a year younger than me. Although, since he is performing the duties of head of government, I am indeed the youngest actual minister.

[Pogorelyy] Isn't this hard, from the purely psychological, human viewpoint?

[Aven] It is hard, of course. It is hard to lead people who are older and more experienced than you are and to win authority. When I arrived in this office, most people smiled to see such a minister... Elderly people come along: general designers, academicians, Heroes of Socialist Labor. Initially one of my deputies was a three-star admiral.

But your minister too—Pavel Sergeyevich Grachev—is, I think, the youngest defense minister ever and also an army general. Incidentally, I have a very good working relationship and total mutual understanding with Grachev.

[Pogorelyy] What is your military rank? And how familiar are you with the Army?

[Aven] Reserve senior lieutenant. I attended military science department and once attended a training camp. My grandfather was in the army and served in the famous Lettish rifle division... I know military people and their life. Many of your readers may well remember me. I did a lot of traveling to military garrisons in the eighties and delivered lectures for the "Znaniye" society. I visited military camps and border posts practically throughout the country.

I respect the Army, how can you not feel friendly toward the Army?

Central Bank Chief Interviewed on Plans

MK2407121592 Moscow NEZAVISIMAYA GAZETA in Russian 24 Jul 92 pp 1, 2

[Ivan Zasurskiy report under "Government" rubric: "'The People Who Like Order Are Back,' Viktor Gerashchenko, Acting Chairman of Russian Central Bank Board, Declares in Interview with NEZAVISIMAYA GAZETA Correspondent"]

[Text] **Conditions and Political Position**

When Gerashchenko was offered the post of chairman of the Board of the Central Bank of Russia, he lay down conditions concerning the cadre composition of the Central Bank apparatus. In his opinion, "it would be a very serious mistake not to utilize the potential accumulated in the Union banking structures." Many observers associate with this position the possibility of radical rearrangements in the leadership of the Central Bank of Russia.

Speaking about problems of coordinating the efforts of the bank and the government, Viktor Gerashchenko emphasized that he will act within the framework of the government economic policy approved by parliament.

In the opinion of the former head of the USSR State Bank, the government's chief shortcoming is its confusion over priorities: In trying to throw all its forces into lowering the level of inflation, it sometimes forgets to support Russia's industry. This also applies to centralized purchases of consumer goods, which the government is using to patch holes in the budget. Viktor Gerashchenko advocates providing credit to socially

important sectors at preferential interest rates. Among these he numbers, in particular, enterprises that produce construction materials and construction organizations geared to the housebuilding program.

Gerashchenko takes a sharply critical position on privatization. Basing his arguments on U.S. statistics, he maintains that society must live on its wages. Socialization of ownership must take place not according to the collective farm principle but according to the principle of trust operations: Capital is placed at the disposal of professionals—bankers and investors, who use it to make a profit.

In addition, privatization will not be the decisive factor in the reform because it is impossible, for example, to define exactly the value of enterprises to be privatized.

Ruble Convertibility

Never before has the currency market reacted so quickly and strongly to a movement in the banking system. I would remind you that experts of the Moscow Interbank Currency Exchange comment on the raising of the dollar rate by 157 points (to 151.1 rubles to the dollar) as a reaction to the statement by the acting chairman of the Central Bank Board that ruble convertibility is impossible in the very near future.

At our request Viktor Gerashchenko elaborated on his position. According to him, full convertibility is impossible not only because of the unbalanced nature of the economy but also because of the obvious nonmarket nature of the mechanism used to determine the present centralized rate. Gerashchenko believes that all sides in this situation are failing to play by the rules. First, the majority of currency holders are trying by hook or by crook to leave currency abroad or to circumvent the regulations requiring 50- percent sales of hard currency to the state. Second, interventions by the Central Bank of the Russian Federation in trading on the Moscow Interbank Currency Exchange exceed sales by all other structures (incidentally, the level of intervention doubled in the last trading), that it, it is speculation "for a fall." Viktor Gerashchenko is also prepared to find a more useful application for the funds being used in multimillion interventions: for example, to pay interest on the state debt. "People know that they now have a chief who likes order," V.V. Gerashchenko believes, "but they still do not know what kind of order it will be or how to behave, and so they are buying in currency."

Transactions with Former USSR Republics

Here Gerashchenko's position is accurately characterized by his words: "We will act with strong hands, but in kid gloves." Not that Gerashchenko rejects compromises with those who will "meet us halfway."

The fundamental factor in such an approach to transactions with the CIS and nearby foreign states is the pro-industry position of the Central Bank's new head. He declared, in particular, that he sees no point in breaking off the old production ties and destroying the traditional sales markets, for which sooner or later Russian industry will feel a special need.

"Any producer is interested either in producing and selling more or in producing less but selling at a higher price. If the latter trend is predominant now," he believes, "with the emergence of competition this situation will change."

Nevertheless, Gerashchenko advocates tough sanctions against republics that intend to introduce a national currency or have done so but have not eliminated their ruble debts. Although Viktor Gerashchenko, so he says, intends to act circumspectly with regard to the government's policy, he rightly believes that what is needed for the economy's normal development is more earnest coordination among banking structures in the states of the ruble zone.

Viktor Gerashchenko did not repudiate the statements by his deputy Dmitriy Tulin that the formation of a "Russian ruble" and a "CIS ruble" is virtually taking place now. He declared, however, that this will obviously affect the clearing ruble, whose value will be different in each republic.

"Chechen" Money

Viktor Gerashchenko believes that there are equally good grounds for calling the money stolen from the state on false Chechen advice notes "Chechen" money as any other. It was simply spun out of thin air, but the essential elements of the Chechen Bank appeared on the false documents.

In Gerashchenko's opinion, all are to blame in this case: from the unprofessional bank employees in commercial structures who failed to check the sources of receipts worth hundreds of millions to the Central Bank, and the Central Bank, which frequently gave inaccurate replies to requests from commercial banks or delayed a check.

Although Gerashchenko calls Moscow a cesspool for swindlers in commercial structures—because of their numbers—a measure such as the confiscation of the "Chechen" billions, according to him, is certainly not the optimum solution to the problem, which merits a detailed study.

In general, Viktor Gerashchenko's position on this question could be called a temporizing one: Taking advantage of the respite granted him by the commercial banks, he is trying to work out an approach which will satisfy both the Central Bank of the Russian Federation and the commercial structures. But maybe not the legislators: "The decision to write off sums from the banks' accounts was made under administrative pressure... From a juridical viewpoint our position is extremely vulnerable."

Volskiy Opposes 'Shock Therapy' Methods

LD2407150792 Moscow ITAR-TASS in English 0728 GMT 24 Jul 92

[By ITAR-TASS correspondent Din Inamov]

[Text] Moscow July 24 TASS—Arkadiy Volskiy, president of the Russian Union of Industrialists and Entrepreneurs, is against the "shock therapy" methods in introducing market reforms. "The government strives to do everything fast, but it does not always succeed," he told TASS on Friday [24 July].

A smooth and gradual transfer to market economy is necessary, as the people will not stand another phase of the "shock therapy," according to Volskiy.

"We are staunch supporters of a market economy, but the mechanism of reforms, which is imperfect and contradictory, does not suit us," he added.

Volskiy welcomed the position of Kazakhstan's President Nursultan Nazarbayev in this respect, calling it reasonable. The Union of Industrialists supports Nazarbayev's idea of creating a Euro-Asian Parliament, he said.

Grain harvest this year is not promising, according to Volskiy, who predicted food shortages this autumn and winter. Food production dropped by 20 per cent in the first six months of the year, industrial production declined by 13 per cent in the same period. Social problems will aggravate because of unemployment, there are 350,000 jobless from defence enterprises, according to Volskiy.

Nevertheless, entrepreneurs face fewer problems than politicians, he added.

The Union of Industrialists and Entrepreneurs does not advance initiatives which contradict the course of reforms. "We introduce to it our corrections and amendments which emerge from real life," Volskiy said.

Volskiy, Borovoy Form 'New Alliance'

OW2407144992 Moscow INTERFAX in English 1356 GMT 24 Jul 92

[Transmitted via KYODO]

[Text] Arkadiy Volskiy's Renovation Union and Konstantin Borovoy's Party of Economic Freedom have signed a joint declaration today [24 July] signifying the beginning of their constructive dialogue.

At a press conference in Moscow, Volskiy said the two organizations were not pursuing any political or populist goals. All they wanted was to coordinate their positions in order to facilitate their cooperation with each other and with the president, parliament, and government, so as to achieve social peace and stability in Russia.

Borovoy stressed that "respect for authority and the desire to transform the economy" formed the basis for the unification of the two organizations.

The first step the new alliance is going to take is to demand that all those imprisoned for so-called "economic offenses" before and during perestroyka be released. Apart from that, it is going to make a study of government programs and decrees, and of some of the draft legislation.

The alliance, the members of which, as was pointed out at the press conference, take identical views on most aspects of the current program of economic reform, will be trying to persuade the parliament to accept its proposals. Volskiy stressed his intention to bring at least four parliament groups, including the Industrial Union and Change—New Policy, into the alliance within the next month or two.

Borovoy, Fedorov Express Goals

LD2407164392 Moscow ITAR-TASS in English 1244 GMT 24 Jul 92

[By ITAR-TASS correspondent Aleksandr Krasulin]

[Text] Moscow July 24 TASS—Two major Russian businessmen decided on Friday [24 July] to join efforts and work for the economic revival of Russia.

Arkady Volskiy, president of the Russian Union of Industrialists and Entrepreneurs and a leader of the "Renewal" party, and Konstantin Borovoy, co-chairman of the Party of Economic Freedom, announced at a joint press conference that they plan to unite all constructive forces in the country.

"We want to join efforts on the basis of respect to the law and transform the economy so that it serves the people," Borovoy said. His party demands the freeing of all managers convicted during totalitarian rule and want to conduct a joint expertise of governmental economic programmes and lawbills.

"The main thing which unites us is the respect of individuality," said Svyatoslav Fedorov, another co-chairman of the Economic Freedom Party. "It is the individual who should possess capital goods. Without such a microeconomy it is impossible to revive the whole country's economy," he added, clearly referring to private enterprise.

The privatisation programme in Russia is not attractive to entrepreneurs as it makes them dependent on corrupt bureaucrats, according to Fedorov who stands for the American method of privatising capital goods. 25 per cent of stock should be given to managers, 40-45 per cent to the personnel and the rest should be sold to the public, he explained. The sharing of half of the total Russian property will make it possible for each citizen to receive 500 thousand roubles, while the government plans to grant vouchers worth 25-35 thousand roubles. "This is pure plunder," Fedorov said.

Volskiy Foresees Political Cooperation

OW2407211592 Moscow INTERFAX in English 1832 GMT 24 Jul 92

[Transmitted via KYODO]

[Text] Leader of the "Renovation" Union Arkadiy Volskiy expects the two major political forces - "The Civil Union" and "The Forum of Democratic Forces" to cooperate in the future.

The Forum was founded by leaders of "Democratic Russia," the first wave democratic movement which had exhausted itself, Volskiy told IF [INTERFAX]. "Democratic Russia" could regain its strength through creative work. "If things go in that direction, we are ready for active cooperation," Volskiy stressed. He noted that the basic principles of the two forces' economic programs are similar.

However, he is concerned about the spirit of confrontation and intolerance toward industrialists and entrepreners, which frequently reigned at the meeting of the Forum.

Industrialists, Entrepreneurs Criticize Government

LD2407180592 Moscow ITAR-TASS in English 1646 GMT 24 Jul 92

[By ITAR-TASS]

[Text] Moscow July 24 TASS— The Committee for Industry and Electric Power Engineering of the Russian parliament, the "Industrial Union" parliamentary faction and the Irkutsk Association of Entrepreneurs issued a statement on Friday [24 July] which accused the Russian Government of bringing the country "on the verge of catastrophe".

The statement calls to convene a congress of industrialists in August in order to put pressure on the government.

A prospect to find oneself among a million-strong army of unemployed, without any guarantee of a minimal social protection, cannot appeal to anyone, the statement said.

Most of the people, impoverished day by day, are turning from indifferent into aggressive, which is fraught with unpredictable consequences, the statement pointed out.

The group of industrialists and parliamentarians believes that urgent measures should be taken to "enable industrialists to exercise influence on governing bodies with the aim of creating an effective economic policy."

There is still enough time for the Russian president and the government to heed our warning and make the necessary corrections in their actions, the statement pointed out.

Official Statistics Reveal Cash Problems

LD2407144992 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 0500 GMT 24 Jul 92

[From the "Novosti" newscast]

[Text] Here are some new figures provided by the Russian state statistics committee. Shortages of ready cash are leading to an increase of the money in possession by the population. Since the beginning of this year, 279.5 billion rubles have been stashed away.

Over six months, 9 million man days of working time have been lost. No more than 4 percent of trade and service enterprises had been privatized by 1 July.

Currency Issue Triples

LD2407145992 Moscow ITAR-TASS in English 0704 GMT 24 Jul 92

[Text] Moscow July 24 TASS—Currency issue reached 274.8 billion roubles in Russia in the first half of 1992, which is 3.1 times more than in the whole of 1991, the Russian State Committee for Statistics reports.

According to its information, the volume of cash money kept by the population went up by 279.5 billion roubles, and its share in the volume of money income increased from 5.9 per cent in January-June 1991 to 19.4 per cent [as received].

According to the State Committee for Statistics, this led to the slowing down of money turnover and aggravated cash shortages. The indebtedness, connected with the payment of wages, pensions and allowances to the population, went up to 221.6 billion roubles by July 1, as against 11.2 billion at the beginning of the year.

Government Approves New Economic School

LD2507135292 Moscow Russian Television Network in Russian 1000 GMT 25 Jul 92

[From the "Vesti" newscast]

[Text] The Russian Government has approved a proposal to create a Russian economic school. The main goal of the school will be the training of highly qualified economists for state government bodies, international economic organizations, and institutions of higher learning.

Military Issues

Defense Ministry Demands Attacks Investigation

LD2407113792 Moscow ITAR-TASS World Service in Russian 1045 GMT 24 Jul 92

[By ITAR-TASS correspondent Roman Zadunayskiy]

[Text] Moscow, 24 Jul (TASS)—The Russian Federation Defense Ministry has demanded an immediate investigation into the assaults on Russian army units stationed beyond the country's borders and the punishment of the culprits. A representative of the military department press center told an ITAR-TASS correspondent about this today.

He noted that recently Russian servicemen in the Transcaucasus are increasingly often compelled to use extreme measures to protect their weapons and military hardware, military units, and their families. For instance, on 21 July, the residences of an artillery regiment in Yerevan were attacked. One of the attackers was killed, and two were captured and handed over to the local authorities. Early in the morning of 23 July, there was an open attack on a pool of combat vehicles of an artillery regiment stationed near Baku. Russian servicemen prevented the seizure of combat hardware. In a short battle, two attackers were killed and three wounded. There were no casualties among the regiment's personnel.

The representative of the press center noted that the Defense Ministry has in its possession information showing that members of the Azerbaijani special purpose militia detachment took part in that bandit action. He stressed that this raises a question about the legality of their actions.

Any violent acts against Russian army units which violate international law will continue to be resolutely stopped, the representative of the Russian Defense Ministry's press center said. Responsibility for the consequences will be placed upon local authorities, which must ensure a normal situation around army units under Russia's jurisdiction, he noted.

Navy Day Festivities, Messages Reported

Navy Chief Chernavin Interviewed

PM2407195192 Moscow KRASNAYA ZVEZDA in Russian Interview 25 Jul 92 pp 1-2

[Interview with Admiral of the Fleet V. Chernavin, Navy commander in chief, by Captain First Rank Sergey Bystrov under the "Interlocutor of the Day" rubric; place and date not given: "St. Andrew's Flag Again"—first paragraph is editorial introduction]

[Text] Vladimir Nikolayevich Chernavin was born in 1928 in Nikolayev. He graduated from the Higher Navy School in 1951 and was sent to the Northern Fleet, where he served for 30 years. In that time he progressed from commander of a diesel submarine mine and torpedo combat unit to commander of the fleet and was awarded the title of Hero of the Soviet Union. In December 1981 he took charge of the Navy Main Staff and Admiral of the Fleet V. Chernavin has been commander in chief of the Navy since December 1985.

[Bystrov] Vladimir Nikolayevich, the USSR Navy Day, which we used to celebrate, is, as it were, cut off from all the Russian Fleet's previous history. Now we are returning to the St. Andrew's Flag. Perhaps, Navy Day should now be celebrated 20 October. It was after all 20 October 1696 that the session of the Boyars' Council took place at which Peter I set out his proposals regarding the formation of a navy. And the council made up its mind: "Let there be maritime vessels."

[Chernavin] The point is that Russia did not have a unified statewide naval holiday, although it has been traditional since Peter I's time to celebrate the anniversary of victories at sea and on land by "firing all guns," with parades of ships, and various competitions. This holiday did not appear straightaway in Soviet times either—only in 1939, on N.G. Kuznetsov's initiative. That is why it is celebrated in July which is the most favorable time of year for mass functions on water.

Certainly, the coming Navy Day is historically noteworthy in that the Russian Fleet will once again return to using its St. Andrew's Flag. Not because Soviet seamen put the naval banner to shame. No, they bore it with honor and glory and won worldwide recognition. It is simply that the emblems on the Soviet naval flag do not correspond to the current Russian Navy. Although, one must give credit where it's due, its colors—white, blue, and red—reflected the colors of the Russian flag. Just as the Soviet naval flag reflected and preserved with special care the traditions of the Russian Navy. I see no contradiction in the annual naval holiday continuing to be held in July, with the 300th anniversary of the Russian Navy being celebrated 20 October 1996.

By decree of the Russian president a center has been set up to prepare for the celebration of the 300th anniversary of the Russian Navy and I have been appointed honorary president of this center. This important date in our national history will, if I can say this, be clearly analyzed on a mass scale over the next few years without interruption.

[Bystrov] You have a tremendous career behind you. Which Navy Day do you most remember in this period?

[Chernavin] Probably, the first Navy Day during my command of the Northern Fleet. I became commander of the Northern Fleet 1 July 1977 and that same month reviewed a festive parade of ships. At the time I thought and still do that I had reached one of the greatest, most significant, and splendid posts. Since becoming commander in chief of the Navy, I no longer have a chance to view this holiday in that way because it is from Moscow that I keep an eye how it is celebrated in the fleets. Why? Navy Day is essentially a wide-ranging demonstration exercise involving the use of a large quantity of combat hardware and enlisting a tremendous number of personnel. For instance, 1,000 men jump simultaneously from an amphibious ship into the waters of the Black Sea and take part in the traditional race. God help us if someone drowns. Dozens of Baltic Fleet ships sail into

the Neva under bridges, running the chance of navigational mishaps. Aviation takes to the air. Many small exercises are held involving the real use of weapons: firing of rocket projectiles, depth charges, torpedoes, missiles. Even without warheads all this does effectively involve some danger. And submarines submerge and surface in front of thousands of spectators... That is, millions of people throughout the country are shown the instruction and training that our personnel have received.

[Bystrov] Vladimir Nikolayevich, the Navy is involuntarily slowing down its development. When was the apex of its development in your view?

[Chernavin] The postwar period from the fifties through the eighties. The Navy was developed even if it did not quantitatively compare with what we had before and during the war. This constituted an upsurge of scientific thought and industrial scope. New ships, new weapons, and power engineering were developed during those years. You only have to mention nuclear submarines to realize the complex problems that were resolved.

Today the international climate is getting warmer and some people believe that this money may have been spent to no avail. I would not say that because the thaw became possible once we had created a powerful Army and Navy and after we had achieved military parity with other states. What is more, the great scientific achievements and industrial perfection in the defense industry raised our country's science and industry as a whole to new heights. Were it not for submarines' nuclear power (the first industrial nuclear reactors were, after all, developed for our nuclear-powered vessels) our nuclear power industry as a whole might not have been so developed. The Chernobyl accident only illustrates that we should have achieved even greater perfection and greater safety in our use of nuclear power. It is simply inconceivable to abandon it. Neither France, Japan, nor the United States, for instance, have any intention of giving up their nuclear electric power stations. Moreover, the world shortage of power so far leaves us no alternative to nuclear power.

[Bystrov] Has the attitude of the country's leadership to the Navy changed of late?

[Chernavin] Yes, these changes are now making themselves felt and manifesting themselves in many things, starting with social security for our servicemen. I am referring to wages and questions of housing construction and pension provision. The draft Russian Law "On the Status of and Social Guarantees for Servicemen" is very indicative in this respect. The Navy has obtained the right to introduce contract service.

Despite the colossal difficulties in the country and the collapse of industry, the Russian leadership in the person of the president has found it possible to discuss some questions of naval structural development during on-site visits, as was the case during B.N. Yeltsin's visits to Severodvinsk and Plesetsk. It was decided there to keep the major shipbuilding enterprises and effectively continue building the nuclear fleet.

The atmosphere with regard to the Navy as a whole is normalizing, there are no longer the attempts to run us down and discredit us that we experienced in the recent past. The mass media has begun to investigate our shortcomings, troubles, and concerns in a more amicable and constructive manner. Even if the Navy has a very hard time today, naval seamen are more optimistic and have been strengthened in their belief that Russia needs them. Suffice it to say that the exodus of people from the Navy is declining.

[Bystrov] What must and can be done to extricate the Navy from its current hard times with the fewest problems? Is it true that construction has not begun on a single warship this year?

[Chernavin] Yes, that is regrettably the case. We must not let this be the watershed beyond which we begin to lose the Navy. Therefore, despite the lack of funds, we must not suspend construction of new ships, the Navy will expire like it or not if it does not receive new ships. The shipbuilding industry will decline and will then be very hard to revive. I am not calling for the former levels of ship construction. There is no point in striving for quantity. We will evidently build ships, but in fewer numbers, however they will be of far higher quality. The groundwork has been laid. Our latest nuclear submarines are of a very high class. This can also be applied to surface vessels and aviation.

At the same time we must preserve the ships in service more carefully. For this it is essential that they are maintained although this is an extremely complex issue today.

It is very important to improve our personnel's training. The move to professional naval service for seamen and petty officers opens up new opportunities. The more professionals serve in the Navy, the longer the equipment will last, and the more you can get out of it.

Seamen's pride in the Navy, in the ships on which they serve must be revived now. This was always military seamen's strong point. But for that to occur the country's attitude to the Navy must be revived. There is not a single country in the world or a single people who do not take pride in their Navy. Are we to be the exception?

There must be no oversimplified action as regards cutbacks in the science that works for the military and we must not take a primitive view of the problems of conversion. Our loftiest achievements were in the defense industry. This must not be wasted. The fact that achievements in this field must draw behind them all the rest of the country's economy is another matter. That kind of orientation would be understandable and natural today.

[Bystrov] How do developed countries regard our Navy and their own navies?

[Chernavin] Over the last few years I have visited Germany, Britain, Italy, Greece, and the United States. I must say that the image of our fleet as one of the strongest in the world has not faded. People there understand our difficulties just as they understand that we have no intention of losing our naval might. At the same time everywhere I saw universal respect for their own navies, concern for their intensive development. The main thing is that people there realize that although the navy is a very costly branch of the armed forces, it is very promising in terms of future use in hostilities.

How were hostilities waged in the Iraq-Kuwait conflict? To all intents and purposes seamen and aviators decided the outcome of the war. The ground forces were actively engaged only once the war had already effectively been won. That is why the Americans sustained such negligible losses. While they inflicted tremendous damage on the enemy. That is, costly science-intensive weapons and equipment help protect the most important thing in hostilities—people. Of course, you cannot speak of victory until the infantry have set foot on enemy territory, but the ground forces must have the kind of support that ensures that they sustain the fewest losses. The cooperation between the branches of the armed forces in this conflict revealed a totally new approach to waging the combat operations of the future.

[Bystrov] We all realize that the components of today's Navy require varying degrees of concern from you. What is your opinion of the situation in our fleets and flotillas?

[Chernavin] Needless to say, I am most concerned by the Black Sea Fleet, which was once the most successful. Talks are under way with Ukraine over the Black Sea Fleet at government and military level. Particular hopes emerged after the Russian and Ukrainian presidents' meeting in Dagomys. Breaches of the agreements that have been signed represent the greatest danger today. There are plenty of breaches of this kind on the Ukrainian side, from below. But the men of the Black Sea Fleet are standing firm and the Black Sea Fleet is eschewing provocative actions in violation of the signed accords.

The situation in the Baltic Fleet is also complex. This is due to worsening questions concerning basing and discrimination against our military seamen in the Baltics.

The Caspian Flotilla also has a hard life. The situation is calmest in the Northern and Pacific Fleets and at the Leningrad naval base. There are only professional problems there and, although they too are complex now, we think that this is our business and we can cope with it.

[Bystrov] It is hard to make forecasts now. Nonetheless how do you see the Navy's immediate future?

[Chernavin] I think that we will make cuts in all four fleets and that we will have a base rather than a flotilla in the Caspian Sea. We will preserve the Navy's structure. There will undoubtedly be a reduction in the number of ships. There will also be personnel cuts. While remaining the Russian Navy, we will allocate some forces to the CIS strategic forces. But, while cutting back, the Navy will be renewed and strengthened, which accords with our interests and world trends.

Ships Fly St. Andrews Ensign

LD2507133592 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1100 GMT 25 Jul 92

[From the "Novosti" program]

[Excerpt] Today, sailors of the Russian Navy are swabbing the decks and ironing their bell bottoms on the eve of Navy Day. The Navy Day holiday was instituted by the Council of People's Commissars and the Central Committee of the VKP(B) [All-Union Communist Party (Bolsheviks)] in 1939. This year on the holiday, everywhere except on the Black Sea, Soviet ensigns are to be replaced by the St. Andrew's ensign, brought in by Peter I. [passage omitted]

Yeltsin Greets Naval Personnel

PM2407104492 Moscow ROSSIYSKAYA GAZETA in Russian 24 Jul 92 First Edition p 1

[Navy Day message from Russian President B. Yeltsin to naval personnel, under the general heading "Congratulations to Naval Seamen"]

[Text] To the Navy command, admirals and generals, officers, warrant officers and ensigns, petty officers and sergeants, seamen and soldiers, workers and employees of the Navy, shipbuilding and ship repair workers, and veterans of the Navy.

Dear friends!

I wholeheartedly congratulate you on the holiday Navy Day.

This year, for the first time after a long interval, the CIS fleet is greeting the holiday beneath the proud St. Andrew's flag.

Since the days of Peter the Great naval seamen have enjoyed respect and love among the people. On this day we remember the glorious names of Admirals Nakhimov, Ushakov, and Kornilov, and bow down before the memory of other heroes of all naval battles, those who won fame and those who remained unknown. The sense of gratitude to seamen for their feat in the years of the Great Patriotic War is undimmed in our hearts.

Dear seamen! Russia is grateful to you for your difficult, intensive labor. However hard it may be at present, everything possible will be done to create proper working and living conditions for seamen and all servicemen.

Happiness and success to you! Happiness to your dear ones! Fair winds and clear skies over your heads!

[Signed] B. Yeltsin

Khasbulatov Greets Servicemen

PM2407105692 Moscow ROSSIYSKAYA GAZETA in Russian 24 Jul 92 First Edition p 1

[Navy Day message from Russian Supreme Soviet Chairman R. Khasbulatov to naval personnel, under the general heading "Congratulations to Naval Seamen"]

[Text] Dear compatriots, naval seamen, and veterans of the Navy!

The Russian Federation Supreme Soviet cordially congratulates you on the holiday Navy Day.

We are marking this holiday in difficult times, but the Russian people have faith: Whatever trials may fall to your lot, the prestige and honor of the naval seaman and his loyalty to the fatherland will be unshakable and immutable.

Russia is a great naval power, and therefore naval forces have always been and will remain an important factor in ensuring its defense capability. Our motherland will never cease to be proud of the Navy's combat glory and traditions. We honor Russia's naval heroes, paying tribute to their courage and selflessness.

We have no doubt that the Navy's glorious traditions, which go back centuries, will be worthily continued in a renewed, democratic, and free Russia, at an important new stage in the building of its Armed Forces.

We wish you, dear naval seamen, health and vigor! May Navy Day be peaceful always, for all time. May the glorious St. Andrew's flag inspire you to new feats for the glory of your native land!

Media Issues

SOBESEDNIK Faces Financial Trouble

LD2407124892 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1400 GMT 23 Jul 92

[From the "Novosti" newscast]

[Text] It was not a censor's ban that prevented the publication of the weekly SOBESEDNIK. Nothing like this has happened to this profitable and popular publication for six years. SOBESEDNIK is facing financial pressures. The Pressa Publishing House is demanding payment in advance. The press distributing company Rospechat owes SOBESEDNIK the 4 million [currency not specified] the weekly needs, but it is in no hurry to repay this debt. So, if you want to close down a particular publication, you can do it without censorship.

Memorandum on Independent TV Company Signed

LD2507165292 Moscow Radio Moscow World Service in English 0700 GMT 25 Jul 92

[Text] The first independent television company will be set up in Moscow, says a memorandum signed in Moscow by an independent broadcasting company and the (?TBS) of America. Implementation of the project depends on the issue by the Russian authorities of a license to use Channel 6 being claimed by other companies. It's been decided to hold a contest among the claimants. The independent broadcasting company and (?TBS) stand a good chance of winning.

Supreme Soviet

Resolution on Chemical Weapons Commitments

PM2407135092 Moscow ROSSIYSKAYA GAZETA in Russian 24 Jul 92 First Edition p 4

["Resolution of the Russian Federation Supreme Soviet on Ensuring the Fulfillment of the Russian Federation's International Commitments in the Sphere of Chemical, Bacteriological (Biological), and Toxin Weapons," No. 3244-1, signed by Russian Federation Supreme Soviet Chairman R.I. Khasbulatov and dated 8 July 1992]

[Text] Having examined the state of fulfillment of the Russian Federation's international commitments in the sphere of chemical, bacteriological (biological), and toxin weapons, the Russian Federation Supreme Soviet resolves:

1. To confirm the Russian Federation's status as legal successor to the USSR's commitments under the Convention on the Prohibition of the Development, Production, and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction (1972) and under bilateral Soviet-U.S. accords on the control of chemical weapons and the destruction of stockpiles, and also to confirm the commitment to the policy of concluding a global convention on the prohibition of chemical weapons.

2. The Russian Federation president is recommended to submit to the Russian Federation Supreme Soviet draft legislative acts of the Russian Federation on the prohibition, in line with the Russian Federation's international commitments, of the development, production, and stockpiling of chemical, bacteriological (biological), and toxin weapons, and on the liability of officials for violations of the said commitments.

3. It is deemed expedient to allocate as a separate item in the Russian Federation Republic budget, under the heading "Implementation of international treaties on the elimination, reduction, and limitation of arms," appropriations for expenditure, including expenditure in freely convertible currency, associated with the fulfillment of the Russian Federation's international commitments on matters relating to conventions on chemical and biological weapons.

4. The Russian Federation Government, in conjunction with the Russian Federation Supreme Soviet Committee on Industry and Power Generation and the Russian Federation Supreme Soviet Committee on Questions of Ecology and the Rational Use of Natural Resources, is instructed to submit to the Russian Federation Supreme Soviet by 15 September 1992 draft comprehensive programs for the phased destruction of chemical weapons and the utilization of the specialized biotechnological potential to organize the development and production of medical preparations.

[Signed] Russian Federation Supreme Soviet Chairman R.I. Khasbulatov. [Dated] Moscow, Russian House of Soviets, 8 July 1992, No. 3244-1.

Media Resolution 'Clearly' To Be Signed

PM2707100592 Moscow IZVESTIYA in Russian 24 Jul 92 Morning Edition p 2

[Report by S. Chugayev: "Parliamentary Leaders Award Themselves Top Marks and Are Firmly Intent on Securing Implementation of Resolution on IZVESTIYA"]

[Text] The Russian parliament's resolution on IZVESTIYA, passed on the last day of the sixth session, has not yet been signed by Ruslan Khasbulatov. The document is in the stage of preparation and will clearly be signed within the next few days. This was reported to journalists by N. Ryabov, chairman of the Russian Federation Supreme Soviet Soviet of the Republic, at a news conference 22 July devoted to the results of the completed parliamentary session.

The delay in signing is explicable, given the wording voted for by the Supreme Soviet, and one can therefore only sympathize with those charged with converting it into a text that is comprehensible and easy to read. It was scarcely to be expected that the speaker, aware of the resolution's dubious compliance with the law, would decide not to append his signature to the resolution. On the contrary, judging by the speeches by participants in the news conference—in which, in addition to Ryabov, R. Abdulatipov, chairman of the Soviet of Nationalities, and Yu. Voronin, deputy chairman of the Supreme Soviet, took part—the leadership of parliament is fully resolved to seek absolute implementation of the resolution.

"We should certainly lose our self-respect if our ministers stopped carrying out Supreme Soviet decisions," Ryabov commented a propos the statement by Russian Press Minister Poltoranin that he will not carry out the Supreme Soviet resolution, which, in his opinion, is contrary to the law. He added that parliament will find the means to force representatives of the organs of executive authority either to carry out its will or leave state service. Ryabov left no doubt either regarding the fate the Supreme Soviet leadership has in store for IZVESTIYA journalists, who have all without exception, as already reported, protested the parliamentary decision. "No one will force you to work," stated the speaker of the Soviet of the Republic in response to a question by yc·· IZVESTIYA correspondent regarding the extent to which the parliamentary leadership intends to take the journalist collective's opinion into account when implementing the resolution.

Abdulatipov sought to explain why it was that the IZVESTIYA issue had arisen in parliament at this precise moment. The Russian Federation Supreme Soviet has, according to the chairman of the Soviet of Nationalities, to implement in full the provisions of the Federation Treaty, but parliament does not possess today the mass news media to cover this problem in full. IZVESTIYA, it is to be assumed, will fit the bill perfectly. This version of events is, of course, an interesting one. But it does give grounds for concluding that the parliamentary leadership, notwithstanding statements about a desire to maintain IZVESTIYA's tradition, is drawing up or has already drawn up plans which, when implemented, will lead to the effective destruction of 75-year-old IZVESTIYA, since it is intended to confine the news area of IZVESTIYA SOVETOV NARODNYKH DEPUTATOV RF, if such a newspaper appears, to within the Russian borders.

So IZVESTIYA journalists are arguing before parliament primarily in defense of the future of their newspaper rather than their own personal future or that mythical affluence to which Abdulatipov made a transparent allusion when explaining to the journalists who had come to the news conference that IZVESTIYA staff had for 75 years enjoyed a privileged position compared with all the rest of the writing fraternity and that they are opposing parliament, it is to be supposed, with but one objective—that of retaining their privileges. The argument is objectively a strong one. But the speaker of the Soviet of Nationalities failed to take account of the specific nature of the audience, one of whose professional characteristics has traditionally been that of being full informed about the material position of their colleagues from other publications. So the idea fell flat.

All the other explanations by Supreme Soviet leaders—why they consider their decision correct, legal, and just—were a repetition of old, oft-refuted theses. Here the greatest bewilderment was caused by Ryabov's stance, because, while it is possible to assume that Voronin and Abdulatipov do not possess all the information—and that is why they continue repeating allegations about IZVESTIYA's seizing someone's property, about "privatization," and about profit being derived from state property—Ryabov, as distinct from them, being head of the special parliamentary commission under whose leadership the initial draft of the Supreme Soviet resolution on IZVESTIYA was drawn up, is not only familiar with all the documents concerning the newspaper but has also been to the editorial office, where he was given exhaustive explanations backed up by documents on all aspects of the activity of the newspaper and the eponymous concern of interest to him. Moreover, to prevent any inaccurate interpretation of the information heard, a copy of the stenographic transcript

of the meeting was sent to Ryabov. And after all this the chairman of the Soviet of the Republic continues, at the news conference, calling IZVESTIYA "essentially a private newspaper"....

Judging by colleagues' questions, of all the 533 documents which, according to Voronin's report, were passed during the 10 months of the session's work, the resolution on IZVESTIYA is the one which has generated the greatest interest. But for this resolution, the news conference would have had every chance of being a dull and routine event about which it would have been difficult to add anything more than the fact that, as was reported there, the Russian parliament adopted 130 laws and 153 resolutions during the session. Only one detail was perhaps noteworthy. In summing up the results of the 10-month-long marathon session, during which the most acute crisis in relations between the supreme legislative and executive authorities had arisen in Russia, the leaders of parliament did not not deem it necessary to assess critically a single aspect of the Supreme Soviet's activity during that period. One has to assume that the Russian parliament is, in the opinion of its leaders, doing a first-rate job

Mass Media Committee Examines Opinion Polls

PM2007141392 Moscow ROSSIYSKAYA GAZETA in Russian 17 Jul 92 First Edition p 2

[Report by Aleksandr Linkov under the "Parliamentary Hearings" rubric: "Don't Faint, Although There's Good Reason To"]

[Text] Last week's Supreme Soviet timetable was jampacked. Even so, the Committee for the Mass Media, Relations with Public Organizations and Mass Movements, and the Study of Public Opinion managed to find a small window of opportunity for a parliamentary hearing on the problems of sociological opinion polling on the progress of the economic reforms.

The committee's addressing of this subject is no accident. The emergent trend for people to somehow influence the mass media and again exercise control over it has now been affecting sociologists too. Unfortunately, some people did not find the poll results to their liking. They would like them to be more hopeful. But facts are stubborn things. They cannot be turned inside out. This was unambiguously stated at the hearings by the leaders of sociological services and their specialists.

It is hard to disagree with these arguments. Although the figures quoted during the discussion could indeed leave some people on the point of fainting. For instance, recent polls have shown that more than 90 percent of people are now below the level of normal provision. Only 1 percent can afford everything. Or take another alarming figure—12 percent of Russians would leave their motherland to seek a better life in other countries.

Although, despite all the rows about them, 42-60 percent of the population supports the economic reforms.

But this result is nothing to be happy about. To a certain extent this support is temporary. Most of the population is waiting for the fall, by which—as was stated at the start of the year—some kind of improvement should have been forthcoming. But even here sociologists are noting the following detail—the wholesale economic ignorance of the population.

The absence of a reform ideology is affecting confidence in the Cabinet of Ministers. This confidence is on the wane. Although it is still quite high. This is explained by the fact that the government is associated with the president, and he is still trusted by most Russians.

There has recently been talk in the mass media about a possible coup in the country. Is this realistic? This was a fear expressed by more than 40 percent of Muscovites, for instance.

Incidentally, as has already be stated above, it was no accident that the sociologists warned us not to faint when we saw the figures. Bare figures do not reflect the real picture. Everything becomes clear when you compare, analyze, and contrast different facts.

Closed Hearings To Be Held on Japan Policy

MK2307140092 Moscow NEZAVISIMAYA GAZETA in Russian 23 Jul 92 p 2

["M.K." report: "Despite Pressure"]

[Text] NEZAVISIMAYA GAZETA has learned that a conference was held at the Russian Federation Supreme Soviet on 22 July with the participation of Yevgeniy Ambartsumov, Yuriy Yarov, Oleg Rumyantsev, Sergey Filatov, and others. It was decided to still hold the 28 July parliamentary hearings devoted to the package of Russian-Japanese relations and the constitutional problem of the Russian Federation's integrity. It was maintained that the very strong pressure exerted on parliamentarians by "the very top leadership of the Supreme Soviet" had made them ensure that the hearings are conducted behind closed doors. Attempts to prevent the hearings being held reached anecdotal proportions: In all the White House, allegedly because of the repairs going on there, there was not a single suitable room to be found. In the end, the sessions hall of the Supreme Soviet Presidium was set aside. But even that was only after the deputies' decision to meet "somewhere on the grass." Some 50 parliamentarians have been invited to participate in the hearings. Oleg Rumyantsev is expected to deliver a long report.

Regional Affairs

Yeltsin on Results of 3-Day Regional Tour

Remarks in Omsk

LD2407171192 Moscow ITAR-TASS in English 1651 GMT 24 Jul 92

[By ITAR-TASS correspondents Lyudmila Aleksandrova and Anatoliy Petrov]

[Text] Moscow July 24 TASS—Before leaving Omsk—the last stop-over in his three-day tour of Russia—Russian President Boris Yeltsin told reporters at Omsk airport, that his impression from the Omsk region was "more or less favourable" both as regards food prices and its psychological and political climate.

The president said the region will have one billion roubles straight away and 1.5 billion roubles before the end of July to help it overcome the cash shortage.

He also said plans have been approved to support farmers and build housing for servicemen. Yeltsin spoke favourably about a conversion programme for the Omsk region, which he called "very interesting" and added that he saw no sense in drafting a single conversion programme for the entire Russian state, as each military factory and plant is unique and inimitable.

Asked about the possibility of his meeting with Ukrainian President Leonid Kravchuk to consider the Black Sea Fleet issue, President Yeltsin said that "I am thinking about it now and believe that we'd be able to agree with Leonid Kravchuk about the time and place of our meeting".

Promises 'Just Desserts'

MK2507120092 Moscow NEZAVISIMAYA GAZETA in Russian 25 July 92 p 2

[Report by Vera Kuznetsova under "Facts, Events, People" rubric: "Boris Yeltsin Promises Everyone in Omsk Their Just Desserts"]

[Text] When touring Russian cities, the Russian president has voluntarily taken on the functions of a "traveling treasurer." Because of the cash crisis—the Russian Federation Government's biggest "headache"—Yeltsin was forced to "shower" money around from Barnaul to Omsk: half a million here and half a million there. The president promised to settle accounts in full before the end of July. "There will be no more cash problems," he noted in Omsk.

While he was a "debtor" to the Russian people, Yeltsin advised them: The Commonwealth countries owe Russia 300 billion rubles.

The Russian president is trying not to increase the gap between prices and wages (given the severe cash crisis) by holding prices for energy sources in check. True, they will be raised before the end of this year, but they will be freed only by the end of 1993. That is when, in the president's opinion, the economy and finances will finally stabilize.

Yeltsin stated at a meeting with oil workers that the government intends to rely on owners [sobstvenniki] in industry. If state enterprises do not prepare to issue shares [aktsionirovatsya] by the end of September, they will be reregistered. And if more information emerges that there is opposition in local authority structures, "we will be able to respond appropriately to sabotage," Yeltsin said. He added that in these cases his government would start to be guided exclusively by the Russian Federation Constitution.

The president stated: "We will do eveything possible to defend democracy and one of its most important bulwarks: a free press." And, evidently, the authorities: Criminal proceedings "for calling for the people's violent overthrow of the elected authority" are being brought against Viktor Anpilov, leader of the Russian Communist Workers' Party, and ex-General Aleksandr Sterligov, head of the Russian National Assembly.

Having promised everyone "their just desserts," Yeltsin returned to Moscow from Omsk Friday [24 July].

Answers PRAVDA Questions

PM2707085792 Moscow PRAVDA in Russian 25 Jul 92 p 2

[Report by correspondent Konstantin Aksenov: "Kuban Residents Tell Yeltsin: 'Go the Whole Hog, Why Pussyfoot Around!'"]

[Text] Krasnodar—After B. Yeltsin's aircraft landed at the military airfield near Krasnodar, Boris Nikolayevich left for the agricultural machine testing institute to examine equipment on exhibition for the harvesting of grain and feed crops. He was then asked to see for himself the new combines' tremendous potential. He did not refuse the offer and drove several meters on the bridge of a "Don." After this he had a serious discussion about the problems of agricultural machine-building in Russia. It emerged that the sector is deadlocked. The men of the south were so convincing in showing the president the sector's ruinous state that there and then, in the fields, he decided to formulate a special program for agricultural machine-building in the country. This will evidently represent a kind of addendum to the "Grain" program that the president has already signed.

This was, accordingly, where the official segment of the visit ended. En route to the institute's fields Yeltsin spoke to Kuban residents, urging them to be strong, and voiced confidence that the reforms would produce results. He also spoke of the need to consolidate forces in Russia at this difficult time. The reaction of those present and the rejoinders he heard from the crowd indicate that those who believe in changes for the better are becoming fewer and fewer. When the president said that prices will rise again by the end of the year, a peasant standing nearby yelled:

"Go the whole hog, why pussyfoot around..."

The president heard all this. He gave some instructions. He asked for the agricultural equipment testing research institute to be given some aid. He then drove off.

But the residents left on the village square did not disperse for a long time. They tried to guess why Boris Nikolayevich had come. Was there any point in his

tearing himself away from the capital to pop into somewhere like Krasnodar Kray for three or four hours? He looked at combines, spoke to the people face-to-face.... Is that all?

Of course not. I believe the real reason that the president came was quite different. The point is that the situation in the kray has drastically deteriorated of late. The economy is marking time and there has been a tremendous decline in agriculture. Millions of people in the Kuban are suffering from the incredibly high cost of living. If you consider that more than 100 nations and nationalities live here, along with a host of refugees, the region can be considered tense in every respect. Moreover, the Kuban Kray Soviet and administration have failed to establish contacts. Deputies recently voiced no confidence in administration head V. Dyakonov, blaming him completely for the crisis in the kray. It is pertinent to remark that Vasiliy Nikolayevich was the first man whom the president appointed "governor" after the putsch. Yet today he finds himself in a difficult position. Plenty of people in the Kuban are looking to Moscow expecting "sanctions." But time is passing and the capital is not responding, and there is no sign of conciliation among the authorities.

I seized an opportunity to ask Boris Nikolayevich himself:

[Aksenov] How do you view the fact that the representative and executive branches of power here in the south and in other regions of Russia are unable to find a common language?

[Yeltsin] I would not call this a crisis, it is just a matter of problems experienced by democracy in its infancy. All authorities who gain autonomy amid separation of power suffer. The whole situation before was absurd. You had a Politburo that decided everything—from shoes to combines. That is why there is now a settling-down period [pritirka]. For instance, we have 88 regions and this question does not even come up in 50-60 of them. The Soviets decide things with the administration, but waste time on political debate. We've had enough political blather. It is time to move on to action and national accord.

[Aksenov] What has been the result of this confrontation, what conclusions can be drawn from it?

[Yeltsin] I think the first consideration should be the vertical authority devolved from the president and the government to the administration heads. It must be broadened and strengthened from below to ensure that it has more influence. It is necessary to go further in separating their powers and functions so that representative bodies—from the Supreme Soviet to local-level soviets—do not assume executive functions. They are up to their ears in work. They also have to work in this direction. That is why my prediction that this will all gradually settle down is linked with the current economic situation in Russia.

The situation is grave, the people are experiencing material difficulties. This is affecting the situation. Some people are playing on the difficulties. But they are not earning political clout from this, or if they do, it is only temporary. All that will end as soon as stabilization starts. I think that reform will win the day. Then we will have normal separation of powers and these branches of power will function normally.... [Yeltsin ends]

At this point the president's guard began determinedly to push me away, but I did nonetheless ask my main question, one worrying millions of people in the Kuban area.

[Aksenov] Boris Nikolayevich, what would you wish the Kuban administration head on parting?

"What would I wish him?"—Yeltsin smiled as if realizing what I was talking about.

"Persistence in implementing the reform and success. Those are the main things now...."

Everything became clear. The president has confidence in administration head Dyakonov. The fact that the kray soviet has voiced no confidence in him is no reason to remove him from his post.

Roundup of Tour

LD2507204492 Moscow Mayak Radio Network in Russian 1238 GMT 25 Jul 92

[Roundup of President Boris Yeltsin's tour of Russian industrial regions, by special correspondent Aleksandr Ruvinskiy]

[Excerpts] [Ruvinskiy] I remind you that the itinerary passed through the northern part of the Kuban, through Kalmykia, then Western Siberia. At the airport in Armavir where the president's aircraft arrived early in the morning, Boris Nikolayevich told journalists of the primary aims of the tour—namely to familiarize himself with the situation in agriculture, with the prospects for the harvest and, finally, to resolve the problems of procurement prices for grain, meat, and other produce. After all, farmers are not currently in a hurry to sell grain, and livestock numbers are steadily decreasing everywhere. Wool, too, is lying in the storage sheds at the farms, not being delivered for processing.

The president said that it was also his intention to acquaint himself in great detail with the situation which has arisen as regards the Rostov combines of the "Don" series. The debate on them has been going on for many years now and this year they played their role in the south, gathering a full-weight harvest. But today such a combine costs two million rubles [R]. One more aim was to acquaint himself in the regions with the political situation, with the mood of the population. And the conversation turned immediately to political matters at the Armavir Air Base where the presidential plane had landed and where, together with the leadership of the kray he was also welcomed by the leaders of the local cossacks:

[Begin recording] [First unidentified man] Our position is determined by the fact that our kray has acquired a very great strategic importance for Russia.

[Yeltsin] Of course.

[First man] And here we would like to see addressed the kray and the problems of the cossacks.

[Yeltsin] I agree with you, the more so since, after all, nearby everything [words indistinct]. This region is very complicated. There are many republics. Every republic has its problems and here the position of the cossacks is of very great importance to the stabilization of the entire political situation. I recognize that fact. [passage indistinct]

[First man] The cossacks policy must be balanced, Boris Nikolayevich.

[Second unidentified man] In this region, not only in the Kuban but throughout the Northern Caucausus. One would like the president, and you, as the president, the government, and the Supreme Soviet to devote special attention to the Northern Caucausus.

It is a very complicated region. Thank God, for the time being we are, so to speak, still managing without friction, without conflict, but there are forces capable of fanning all this.

[Yeltsin] Yes. We must not permit this here, of course. I fully agree. We have started signing a protocol on setting up peacekeeping forces, that is to say, military units, I think that the cossacks will participate in them also, for the creation of Blue Helmets; these are formations within the CIS countries, so as not to turn every time to the CSCE, until the mechanism has been created, but it is in the making. At the United Nations, while an appeal is being made to the United Nations, half a year passes and the fire is already fully ablaze. It is necessary to act promptly. That is why there must be so-called rapid deployment peacekeeping forces here too, so that if something breaks out somewhere one could at once disengage, not take part directly in military operations, but disengage the forces.

[First man] Nevertheless, the genesis of these interethnic clashes lies in the economy, that is, in the spending regime which existed formerly. And now one must embark on reforms. If we embark on reforms, the situation will stabilize.

[Yeltsin] Well, this is correct.

[First Man] We not resolve questions here by force alone.

[Yeltsin] No, no.

[First man] And for this reason I also ask that the cossacks embark on reforms and fulfill the President's decrees; support the government. Jointly we will push aside these small conflicts, and place things on a firm footing: this is the economy, we must push for reforms. If we stop the reforms, no amount of troops or cossacks will be enough.

[Second man] In order to achieve cooperation with the administration the cossacks need to assist in economic revival, Boris Nikolayevich. A cossack is of course a soldier first, and then a farmer.

[Yeltsin] Who precisely; how and in what respect?

[Second man] Those cossacks who succeeded in taking land. Cossacks have neither material nor technical supplies.

[Yeltsin] Do you mean mainly equipment?

[Second man] It is necessary to set up banks, to grant credits.

[Yeltsin] Ah, credits.

[Second man] With crazy interest rates of 80 percent, how can one stand it?

[First man] Only a commercial bank does that.

[Yeltsin] No, R16 billion of credits to Krasnodar Kray. This is something.

[First man] That's the first time the cossacks have heard that.

[Yeltsin] I do not know, not the cossacks, I mean the kray. You yourselves allocate the R16 billion. Why are you not giving it to them? I am asking you.

[First man] We are giving it to all.

[Yeltsin] Sixteen billion.

[First man] We distribute it to all equally.

[Yeltsin] Incidentally, to date only 2 billion has been collected.

[First man] Oh yes, this is all we have been given so far.

[Yeltsin] So one could ask you: why have only 2 billion of the 16 billion of credits been used?

[First man] The cossacks have now made a proposal to the kray administration to take part in the organization of customs posts on the kray's territory.

[Second man] It will be necessary to close (?borders), Boris Nikolayevich. [passage indistinct]

[Yeltsin] I agree. I [words indistinct] at the Security Council last Wednesday, we examined questions of the borders, in general, and we decided that, first, we need to close the border with the Baltic republics inasmuch as there is an outflow of resources from Russia going there; the Baltic republics are selling Russian nickel, copper and so on and so forth. But all these disgraceful things are taking place because the border is open, and people keep on trading. The commercial structures take the stuff from there. So that is the first, very urgent task. [words indistinct]

Viktor Pavlovich there is already asking for 20 units; so far he has received 21 mobile units to cover the border—that will cover the most urgent needs, and then will come the real border. The second priority right now is the border with Azerbaijan. That is the most dangerous one we have; true, it's quite long, but here too the [words indistinct] could help.

[Third man] The border with Georgia needs to be closed, too. [passage indistinct]

[Yeltsin] Well, we're talking about a customs post. When I had that meeting in Dagomys with Shevardnadze and signed an agreement on the Georgian-Ossetian conflict, we agreed to draw up a treaty first because one has to have borders. It was decided that the border with Kazakhstan should be a transparent one, and Byelarus also.

As for Ukraine, there are 11 million Russians there, and they are of course asking to be able to visit their families, relatives and so on: the border cannot be closed. We decided to make it an obligatory customs border, but we'll see about a state border later on. The border with Georgia is a matter of dispute. Do you think the border with Georgia should be closed, firmly shut, or be a customs border?

[Third man] Boris Nikolayevich, if it is a transparent border, one needs to determine just how transparent it is.

[Yeltsin] I'm asking your opinion. So you think it should be a customs border, eh? Is that absolutely essential, and straight away? And as for some sort of state border, perhaps allowing visa-free entry, but at least something controlling the raw materials leaving Russia and entering Georgia, that is something that needs to be stopped, of course.

[Third man] There have been various economic laws, but an equal ruble zone: you see, what they do is they take lots of rubles from the bank and offload them on us, and take away our ... [incomplete sentence as heard] [end recording]

[Ruvinskiy] Then there was a visit out into the fields, to Novokubanskiy Rayon. Along the way there were stops at farmsteads, where the president was asked quite a few questions, and not only about our daily bread, either. Daily bread, incidentally, is getting more and more expensive in this land of plenty, and not just day by day, but literally hour by hour. The main questions were about the hotbeds of interethnic conflicts, most of which are situated quite close to the Kuban. In a farmstead in Novokubanskiy Rayon, the whole series of Don agricultural machinery was especially lined up in the field, grain harvesting machines and silage gathering machines. The president inspected each machine extremely carefully. He was accompanied by the Rostselmash general director, Petkov, and Minister of Agriculture Khlystun. [passage indistinct]

As you heard, the producers of the harvesting combines have of course their own clearly departmental interests, but there are also problems that need to be resolved.

On the same day the president's aircraft landed at Elista in the Republic of Kalmykia, where ecological problems have been exacerbated; pastureland is dying. The local economy has been impaired, as it is mainly based on agriculture.

The president was shown a sheepskin production unit awaiting completion—a joint enterprise with Spain. Its hard currency account had been frozen, and $700,000 now need to be unfrozen for the enterprise to start operating and making profits—and it is expecting considerable profits as it will be producing leather and various consumer goods. [passage indistinct]

On the following day the president visited a shepherds' camping site in the fairly remote Yashkul Rayon of Kalmykia.

Of course, much had been specially prepared for the president at the shepherds' campsite. This is quite understandable. The local inhabitants wanted to show Yeltsin not only the difficult conditions in which they live but also some elements of the national culture of which they are proud. There were nomads' tents there with all the nomads' necessary goods and possessions. Real Kalmyk tea was prepared.

But as soon as he got off the helicopter a real business-like conversation began about the price of wool, the primary source of local wealth. [passage omitted]

[Begin recording] [Yeltsin] Why do you not agree to 540?

[Unidentified man] I agree to 540 but the textile workers do not.

[Yeltsin] How many times more than the old price is this?

[Man] It will be 13 times. At present they give eight.

[Yeltsin] They will not survive that. So that we have to give subsidies either to one group or the other. [passage indistinct]

[Yeltsin] Let us give them government guarantees. Let us do it this way. You agree to 540, so let us give our agreement to 540. Let them deliver the wool and not hang onto it. And then we shall consider whether to give the subsidies to them or to the textile workers. So, there you are, comrades, you do not have to hang onto it any more. [applause]

Please do not think that you have caught the president and the ministers napping. You must consider this an objective reality. The most important consideration is the level of profitability, to show the costs and the profit level.

[Man] The profit level will be 30 percent.

[Yeltsin] Well, that is not unreasonable. It is not adventurist. [end recording]

That is how a problem that is very important for agriculture was resolved. Unfortunately, I saw another side of things as well when problems were raised that

really did not exist. They were caused by the local leadership's ignorance of decrees, and decisions that had already been adopted. The president was obliged to explain all of this on more than one occasion.

The trip ended in Omsk Oblast where the president visited the Omsknefteorgsintez association which is one of the stronger enterprises but still has problems. He also visited the Luzinskiy state farm complex, part of the Omsk Bacon Association. Here, too, he met with the people and discussed the economy and politics. At the aircraft steps the president gave a high assessment of what he had seen in Western Siberia. He described Omsk Oblast as one of the most successful economic regions with one of the most favorable political climates. He told journalists about the measures that would be taken to give economic support to private and other types of farms in Russia.

Asked about the itinerary for his next trip, he replied that it has not been decided yet.

Krasnodar Kray Exemplifies 'Domino Theory'

MK2507113092 Moscow KURANTY in Russian 25 Jul 92 p 4

[Report by Aleksandr Poklad: "In Shooting at Dyakonov, They Are Aiming at Yeltsin"]

[Text] Krasnodar-Moscow—Western political analysts once actively canvassed the "domino theory" to illustrate the problem of the spread of communism across the planet: More and more countries were falling to it, just like dominos. It looks as though our "neo" Russian [rossiyskiy] communists are trying to apply this theory. To their way of thinking, pressure on the lawful government at the center has to be backed up by seizing bridgeheads at local level. The first "domino" is to be Krasnodar Kray, where a campaign has been launched to remove administration head Vasiliy Dyakonov, one of Boris Yeltsin's first appointees to such a post during August last year.

The Kuban, that Russian California, could in fact become our our antidemocratic Vendee [French region deemed pro-Nazi in World War II]. The party nomenklatura's positions have always been strong there. It was there that Medunov ruled and there that Polozkov enriched the theory and practice of communist building. The membership of the present kray soviet, which recently carried a "vote of no confidence" in Dyakonov, is reminiscent of an old-regime party-economic aktiv. Those opposing Dyakonov have also included the Krasnodar administration, which has changed little since Medunov's day, and the Kuban Cossack Council [rada], which is saddled with former party bosses and is popularly known as "Red."

The accusations against Dyakonov basically repeat the critical opposition arguments leveled at the government, and they amount to an endless regurgitation of the negative consequences of the reforms. According to this logic it is Dyakonov, and Yeltsin who appointed him, who are personally to blame for increasing prices, declining production etc. In shooting at Dyakonov in the Kuban, they are aiming at Yeltsin in Moscow. If they succeed in "hacking off" Krasnodar Kray from democratic Russia and installing their own man at the head of the local authority, so the plan goes, other areas will start to detach themselves from the country one after another.

The strength of Dyakonov's Kuban enemies should not be exaggerated, though. In less than a year as leader he has also gained many supporters in the kray. They are to be found first and foremost in the strengthening stratum of civilized businessmen and in the farmers, of whom there are more there—around 10,000—than in any other region of Russia.

The cossack question is especially acute in the Kuban. In addition to the "Red" council, the Kuban Cossack Army [voysko] has recently been playing an increasingly appreciable role in the kray, and it on the whole supports Dyakonov. The Army is popularly termed "White." In terms of numbers it is almost equal to the Council, but it is distinguished from its leadership by supporting the unification of all cossacks in the kray.

So the Kuban standoff, on whose outcome much in Russia depends, is only just beginning...

Moscow Communists Discuss Political Activities

OW2507125792 Moscow INTERFAX in English 1218 GMT 25 Jul 92

[Transmitted via KYODO]

[Text] "The priority for Moscow's Communists is now to restore their city party branch and make it active in political life"—was declared at the recent meeting of the Moscow Communist Party Committee, as it has become known to INTERFAX. The list of its members has not been divulged.

The meeting recommended the district committees to revive the activities of their bureaus and other functions. Where this is not possible the meeting advised to set up provisional bodies. Local party branches are asked to revive their work and begin with registering the membership and collecting party dues. The lower level branches are to prepare for the plenary session of the city committee which will elect delegates for the 20th party conference expected to be held in September.

The meeting stressed that "there are forces in the Central Committee of the CPSU that can distance themselves from the immoral and criminal policies of the former General Secretary—a condition necessary for winning the support by rank-and-file Communists". To a question of INTERFAX if the meeting's decisions were not in contradiction with the decrees of President Boris Yeltsin suspending the Communist Party's activities, Oleg Melnikov, a member of the Communist Union's Central Committee, replied that "no one can prohibit Communists' activities in their leisure

time". He does not think the Moscow Communists have broken the President's decrees.

Afghan Veterans Leader Threatens 'Offensive'

PM2407132592 Moscow KOMSOMOLSKAYA PRAVDA in Russian 24 Jul 92 p 1

[Report by V. Aleksandrov: "One More Afghan War. In Yekaterinburg"]

[Text] Yesterday Vladimir Lebedev, chairman of the Sverdlovsk department of the Union of Afghanistan Veterans, stated that in the near future he may put 30,000 crack internationalist servicemen armed with armored vehicles and helicopters (the existence of which is confirmed by KGB and Internal Affairs Ministry sources) "under arms." Lebedev stated that if he receives the order to stand down he will obey it only if it is given by reserve officer L. Khabarov, a former colonel of the 40th Army.

The Afghan veterans have undertaken this action because the Yekaterinburg prosecutor sequestered the bank accounts of the Union of Veterans of Afghanistan of Yekaterinburg. The accounts were sequestered as a way of putting pressure on the veterans who on 23 June moved of their own accord into two new nine-story apartment blocks.

Lebedev told our correspondent that if the "Afghan coup" in the Urals is successful he plans an offensive against Moscow and its seizure and the establishment of a military dictatorship there. "He will lack the wit" (his own words again) for anything more....

International Affairs

Foreign Affairs Minister on Border Issues

LD2507161892 Kiev Radio Ukraine World Service in English 0000 GMT 24 Jul 92

[Interview with Minister of Foreign Affairs Anatoliy Zlenko by Anna Misterska; place and date not given; Zlenko speaks in Ukrainian fading to English report—live or recorded]

[Text] [Unidentified announcer] Since the time the USSR collapsed and the Commonwealth of Independent States appeared the borders between the countries were defined as transparent. That means that a citizen of any republic may visit any CIS member state without a visa or stay there for a certain period of time. The same is with the goods shipped across the borders. Only in a few places there are customs officers. The customs control which is established on the new borders is not always effective but quite often it helps to keep in the country some deficit food commodities or raw materials which are very effective to the smugglers.

The experience of living in the CIS taught us to understand the English saying high fences make good neighbors. Minister of Foreign Relations of Ukraine, Anatoliy Zlenko, believes that Ukraine's borders with the CIS will not remain transparent for a long time. Here is Anna Misterska with more on that.

[Misterska] Minister of Foreign Affairs of Ukraine said in his interview:

[Zlenko] We have come to an agreement that this issue will be settled in several stages. Now status quo of Ukrainian-Russian boundary is preserved here, but the first step to establish the state customs control on the Ukrainian-Russian boundary has been already done. The second stage will be establishment of the state boundary of Ukraine. It will be done in the near future because establishment of the state boundary is conditioned by our economy and moreover for the purpose to prevent criminal trespass. It concerns the Ukrainian-Byelarusian boundary too.

We continue to adhere to a policy of inviolability, to total integrity of the Republic of Moldova. We consider that its internal affair of Moldova but realize that there are many Ukrainians in Moldova and we don't leave them to the mercy of fate. We try to resolve this problem without interfering into the internal affairs of Moldova.

On the 6 July Boris Yeltsin and Leonid Kravchuk addressed the letter to Conference on Security and Cooperation in Europe in which they propose to summon the ministers of foreign affairs of the countries members of the European Council to discuss the issue concerning (?the improvement) of the mechanism of peaceful settlement of conflicts, ceasefire, introduction of peacekeeping forces to the zone of conflict and the question of the talks about status of Dniester region said Anatoliy Zlenko.

[Misterska] For a long time Ukraine and Russia tried to divide the Black Sea Fleet but there is little success. Many people consider that it's a fault of diplomatic (?corps). Here is what Anatoliy Zlenko, the minister of foreign affairs of Ukraine, thinks of it.

[Zlenko] (?Easy) criticized than done but more difficult to propose a concrete solution of this problem. As for the Ministry of Foreign Affairs of Ukraine we do our best to create a proper political atmosphere and to continue the talks and arrive at a mutual decision on this acute problem. I judge that a statement to create the national fleet of Ukraine is a huge step forward but we must work hard yet on this issue, said the Minister of Foreign Affairs of Ukraine, Anatoliy Zlenko, and I'm Anna Misterska.

Order on Preventing Immigrating Criminals Noted

LD2507175192 Kiev Radio Ukraine World Service in English 0000 GMT 25 Jul 92

[Text] President's representative in Kharkov region, Oleksandr Maselskiy, has issued an order on additional measures to protect the population of the region against criminals arriving from other countries of the Commonwealth. It was pointed out that the growing crime rate in Kharkov region and the city of Kharkov is mostly due to a large number of foreign visitors. From now on upon the order of Oleksandr Maselskiy it will be prohibited to provide lodging for more than two days to people coming from the Commonwealth member states at the hotels, hostels, private houses, and apartments of the region unless the visitors have documents proving that they arrived in Kharkov region on a business trip. Control over the foreign cars moving in and out of the region without special permission will become tougher.

Iranian Official Explores Business Opportunities

LD2507091192 Kiev Radio Ukraine World Service in English 0000 GMT 24 Jul 92

[Text] Iran is interested in examining the possibility of establishing close business ties with Ukraine. This was stated by the Governor-General of the Iranian Province of West Azerbayjan, Akbar Parhizkar. He heads a delegation of representatives of the business circles of that country who arrived in Kiev for the opening of an exhibition of industrial goods of Iran.

Akbar Parhizkar singled out several of the most perspective [as heard] trends in his view of Iranian-Ukrainian cooperation, among them the delivery of oil from Iran to Ukraine and the export from Ukraine of the most sophisticated measuring instruments, farming machinery and (?metallurgical) raw materials.

Estonian Submariners Congratulate Fugitive Ship

LD2507194292 Kiev Ukrayinske Telebachennya Television Network in Ukrainian 1600 GMT 25 Jul 92

[Text] A correspondent of the NOVYNY television and radio agency was informed by URP-INFORM that a telegram of congratulations from the Estonian submarine ("Lemvit") was delivered on board patrol ship 815 which is now in Odessa port. We admire your heroic deed, the telegram says. From ancient times Ukrainians and Estonians have been masters of their own seas and shores; let our own flags fly above the ships, the submariners' telegram of congratulations says.

National Affairs

New Representative Appointed in Odessa Oblast

AU2407143892 Kiev HOLOS UKRAYINY in Ukrainian 16 Jul 92 p 2

["Ukrainian Presidential Decree Appointing Presidential Representative in Odessa Oblast" issued in Kiev on 14 July]

[Text] To appoint Ilyin, Vladlen Oleksiyovych, as representative of Ukraine's president in Odessa Oblast. [Signed] L. Kravchuk, president of Ukraine
Kiev, 14 July 1992

Bread Prices To Stay at 'Present Level'

AU2707125592 Kiev Radio Ukraine World Service in Ukrainian 1200 GMT 27 Jul 92

[Text] It is possible that bread prices, which are already sufficiently high, will not be further raised in Ukraine. Of course, for this, according to Valentyn Symonenko, Ukraine's first deputy vice prime minister, it will be necessary, starting from 1 August, to allocate 8 billion ruble-coupons of monthly subsidies.

Ukraine's Cabinet of Ministers, said Valentyn Symonenko, is working on this question, and a number of documents have already been prepared making it possible to find a way out of the difficult financial situation and to leave bread prices at their present level.

Government Works To Ensure Grain Supply

LD2507041492 Kiev Ukrayinske Telebachennya Television Network in Ukrainian 1600 GMT 24 Jul 92

[Text] Ivan Kapshtyk, the president's representative in Kiev Oblast, met today with leaders of rayon state administrations and enterprises to discuss the purchase of grain from the population. Kiev and the oblast need approximately 850,000 tonnes of grain per year. A little more than one-third of this amount has been received at this point, according to state orders. The oblast administration has therefore decided to pique the peasants' interest: In exchange for grain, they will receive the manufactured goods that they need. To ensure that these goods appear on the shelves of village shops, Ivan Kapshtyk has appealed to enterprise leaders in Kiev and the oblast to assist in every way.

'Spontaneous' Rally Protests Sugar Shortage

LD2507104492 Kiev Ukrayinske Telebachennya Television Network in Ukrainian 1600 GMT 24 Jul 92

[Text] Today, traffic on Ushakov Avenue, the central thoroughfare of the city of Kherson, stopped for almost the entire day. Inhabitants of Kherson organized a spontaneous rally right on the road. Its initiators were mostly pensioners who left lines in the food shops nearby. This time, just as on many days before, they waited in vain for an opportunity to buy sugar for ration cards issued to them in June or even in May. Assurances of representatives of the oblast state administrations that sugar will soon be delivered to Kherson from other oblasts did not calm those taking part in the rally. Only the trying heat and complaints of fellow-citizens who could not use the city transport made people disperse.

Restrictions on Trade Surcharges Abolished

LD2507162992 Kiev Ukrayinske Radio First Program Network in Ukrainian 0500 GMT 25 Jul 92

[Text] In order to create favorable conditions for development and enterpreneurship in trade, the Cabinet of Minsters of Ukraine has issued an instruction according to which the validity of Article 2 of Order No. 329 of the Cabinet of Ministers is extended to all state trading enterprises, regardless of their organizational forms and also to businessmen who carry out trade activity. According to this article, restrictions on levels of trade surchages on goods whose sale is carried out by commercialized trade enterprises at free prices are abolished.

Profit Margin Limits on Foodstuffs Imposed

LD2507105192 Moscow Mayak Radio Network in Russian 0700 GMT 25 Jul 92

[Text] In order to put an end to the uncontrolled rise in prices on the main foodstuffs, the Council of Ministers of the Crimean Republic has imposed upper limits on trade profit margins. In towns, they amount to no less than 18 percent on dairy products, 12 percent on meat and boiled sausage. In the countryside, the profit margins are much higher.

Foreign Credit Guarantees Resolution Adopted

AU2707083292 Kiev HOLOS UKRAYINY in Ukrainian 18 Jul 92 p 2

["Ukraine's Supreme Council Presidium Resolution on Granting Ukraine's Council of Ministers, in 1992, the Right To Act as a Guarantor Regarding Credits From Foreign Banks, Financial, and Other Organizations and on the Procedure for Providing Guarantees to Foreign Creditors" issued in Kiev on 15 July]

[Text] Taking into account the insistent requests on the part of credit-providing countries to have Ukraine's Cabinet of Ministers jointly with Ukraine's National Bank as guarantors of foreign credits and also proceeding from the need for Ukraine to urgently receive foreign credits, Ukraine's Supreme Council Presidium resolves as follows:

1. To authorize Ukraine's Cabinet of Ministers to act, in 1992, jointly with Ukraine's National Bank, as guarantors for foreign banks as well as for financial and other international organizations regarding credits that will be given to Ukraine's subjects of external economic activity.

2. Guarantees regarding credits are only granted to foreign creditors by Ukraine's Cabinet of Ministers jointly with Ukraine's National Bank if the credits are received by subjects of external economic activity in accordance with currently effective international and intergovernmental agreements.

3. Payments for the guarantees, issued by Ukraine's Cabinet of Ministers and Ukraine's National Bank, are guaranteed by the capital in the State Monetary Fund and by other state property.

4. Ukraine's Cabinet of Ministers, jointly with the Fund for State Property, must provide the listing and the cost of the highly liquid property that serves as a guarantee for foreign creditors.

5. The State Property Fund must conclude an agreement with Ukraine's National Bank regarding the highly liquid property that will be transferred as a security and may act as one of the sources for the repayment.

6. Ukraine's Cabinet of Ministers, jointly with Ukraine's National Bank, must submit, by 1 September 1992, to Ukraine's Supreme Council, proposals on introducing corresponding changes and additions to legislative acts for the purpose of giving Ukraine's Cabinet of Ministers the right to act as a guarantor regarding the said credits.

7. The resolution becomes effective on the day of its adoption. [Signed] I. Plyushch, chairman of Ukraine's Supreme Council
Kiev, 15 July 1992

Fokin on Granting Free Economic Zone

OW2607135892 Moscow INTERFAX in English 1150 GMT 26 Jul 92

[Transmitted via KYODO]

[Text] Ukraine's Prime Minister Vitold Fokin has said that his government is prepared to grant Western Ukraine the status of free economic zone. However there will be no point in it unless one half of the local facilities begin to yield products competitive in the world market, he said.

Business Leaders Call For Government Action

LD2607050492 Kiev UKRINFORM in Russian 1310 GMT 25 Jul 92

[By UKRINFORM correspondent]

[Text] Kiev, 25 Jul—Members of the council of enterprise leaders for the industrial complex have elaborated measures for the survival of enterprises of the Ukrainian industrial complex under the conditions of financial crisis and in light of the expected increase in prices for coal and energy sources. They stated their opinions in an appeal to Ukrainian President Leonid Kravchuk; Ivan Plyushch, chairman of the Supreme Council of Ukraine; Prime Minister Vitold Fokin; and Vadim Getman, chairman of the Board of the National Bank of Ukraine.

The members of the council, the appeal reads, note that measures implemented by the government to stabilize the Republic's economy and get it out of its crisis state did not have any substantial effect on the strengthening of economic links, the financial situation of enterprises, or the stabilization of production. There is a threat of complete economic paralysis. In the situation that has arisen, leaders of 218 enterprises and organizations of the Ukrainian Ministry of Industry consider it necessary for the Cabinet of Ministers to stop regulating prices for coal and to give coal mines the opportunity to conclude direct agreements with coal consumers. Prices for coal should be freed. It is also necessary to change taxes on profit and surplus value.

The president and the Cabinet of Ministers of Ukraine, according to the managers, should create optimum conditions for the development and stabilization of economic links between Ukraine and the Russian Federation, not allowing discriminating measures to be taken against each other for political or other reasons. With these goals in mind, it is suggested that the presidents of the Russian Federation and Ukraine and the leaders of the Cabinets of Ministers institute control over the creation and work of a permanently operating interstate commission envisaged in earlier agreements, including those reached in Dagomys. Among the recommendations worked out at the council are: to create an interstate arbitration body, to conclude an interstate agreement to organize the settlement of accounts, first with Russia, and to establish direct correspondent relations between the large banks of Ukraine and those of other CIS countries. At the instruction of the council members, the appeal was signed by managers of 10 leading metallurgical enterprises in Ukraine.

Law Details National Minorities' Rights

AU2507171092 Kiev HOLOS UKRAYINY in Ukrainian 16 Jul 92 p 2

["Ukraine's Law on National Minorities in Ukraine" issued in Kiev on 25 June]

[Text] The Supreme Council of Ukraine, proceeding from the vital interests of the Ukrainian nation and of all other nationalities in the cause of building an independent democratic state, realizing the indissoluble connection that exists between human rights and the rights of nationalities, striving to implement Ukraine's Declaration on the Rights of Nationalities, and adhering to international commitments on national minorities, adopts this law to guarantee the right of free development to national minorities.

Article 1. Ukraine guarantees equal political, social, economic, and cultural rights and freedoms to all citizens of the republic, regardless of their ethnic origin, and supports the development of their national self-consciousness and self-expression.

All citizens of Ukraine are equally protected by the state.

In ensuring the rights of those persons who belong to national minorities, the state proceeds from the fact that these rights are an inalienable part of the universally recognized human rights.

Article 2. Ukraine's citizens of all nationalities are obliged to observe Ukraine's Constitution and laws, protect its state sovereignty and territorial integrity, respect the languages, culture, traditions, customs, and religious originality of the Ukrainian people and of all national minorities.

Article 3. The national minorities include groups of Ukraine's citizens who are not Ukrainians by nationality and who manifest national self-consciousness and community of interests within the group.

Article 4. The relations that take shape as a result of the implementation by Ukraine's citizens of the rights and freedoms associated with their belonging to the national minorities are regulated by Ukraine's Constitution, by the current legislation, by other legislative acts adopted on its basis, and by international agreements signed by Ukraine.

Article 5. Permanent commissions for questions of interethnic relations operate within Ukraine's Supreme Council and, if necessary, within local councils of people's deputies. Corresponding structural subdivisions may be created in local organs of state legislative power.

Consultative bodies made up of representatives of national minorities may be created and may function, on a voluntary basis, at local councils of people's deputies. The procedure for forming these bodies is determined by corresponding councils of people's deputies.

Ukraine's Ministry for Questions of Nationalities is the central body of state legislative power. The Council of Representatives of Public Associations of Ukraine's National Minorities functions, as a consultative body, at the ministry.

Article 6. The state guarantees the right to enjoy their national and cultural autonomy to all national minorities: the use of and the teaching in the national languages or the study of the national language at state educational institutions or within the framework of national cultural societies, the development of national cultural traditions, the use of national symbols, the observance of national holidays, the practicing of their own religions, the satisfaction of their needs in literature, art, and the mass media, the creation of national cultural and educational institutions, or any other activity that does not contradict the current legislation.

Historical and cultural monuments of national minorities on the territory of Ukraine are protected by law.

Article 7. The state is taking measures to prepare pedagogical, cultural-educational, and other national cadres through a network of educational institutions. Proceeding from interstate agreements, state bodies give assistance to national minorities in training specialists in other countries.

Article 8. In the work of state bodies, public associations, and enterprises, institutions, and organizations situated in those places where the population is predominantly constituted by a certain national minority, its language may be used alongside the Ukrainian state language.

Article 9. Ukraine's citizens belonging to national minorities have the right to be elected or appointed, on an equal basis, to any positions in bodies of legislative, executive, or judicial power, local and regional government, in the Army, at enterprises, institutions, or organizations.

Article 10. The state guarantees the national minorities the right to maintain their residence in places of their historical and contemporary settlement. The questions of return of representatives of deported peoples to the territory of Ukraine are resolved by corresponding legislative acts and by Ukraine's agreements with other states.

Article 11. Ukraine's citizens have the right to freely choose and renew their nationality.

It is not admissible to force citizens to renounce their nationality.

Article 12. Every citizen of Ukraine has the right to have his national surname, first name, and patronymic.

Citizens have the right to renew, in accordance with an established procedure, their national surname, first name, and the patronymic.

Those citizens whose national tradition does not use the "patronymic" have the right to make a record of their first name and surname in their internal passport and of the names of their father and mother in the birth certificate.

Article 13. Those citizens who belong to national minorities are free to choose the extent and forms of exercising the rights that are given to them by the current legislation and implement them personally and also via corresponding state bodies and newly created public associations.

The participation or nonparticipation of those Ukrainian citizens who belong to national minorities in public associations of the corresponding national minorities cannot serve as a basis for restricting their rights.

Article 14. State bodies assist the activity of those national public associations that act in conformity with the current legislation.

National public associations have the right to advance their candidates for deputies at elections of bodies of state power in accordance with Ukraine's Constitution and laws on elections of Ukraine's people's deputies and deputies of local councils of people's deputies.

Article 15. Those citizens who belong to national minorities and national public associations have the right, in accordance with the procedure established in Ukraine, to freely establish and maintain ties with persons of their own nationality and with corresponding public associations outside of Ukraine and receive from them assistance aimed at satisfying their linguistic, cultural, and spiritual needs and also to take part in the activity of international nongovernmental organizations.

Article 16. Ukraine's state budget provides for special allocations meant for the development of national minorities.

Article 17. Ukraine promotes the development of international cooperation in guaranteeing and protecting the rights and interests of national minorities, in particular by signing and implementing multilateral and bilateral agreements in this sphere.

Article 18. Any direct or indirect restrictions of rights and freedoms of citizens due to their national distinction is banned and is punishable by law.

Article 19. If an international agreement signed by Ukraine contains clauses different from those in Ukraine's legislation on national minorities, the regulations of the international agreement are to be adhered to.

L. Kravchuk, president of Ukraine

Kiev, 25 June 1992

Draft Constitution Submitted for Discussion

AU2507152792 Kiev HOLOS UKRAYINY in Ukrainian 17 Jul 92 p 4

["Ukraine's Supreme Council Resolution on a New Draft Constitution of Ukraine" issued in Kiev on 1 July]

[Text] Ukraine's Supreme Council resolves as follows:

1. To submit the draft constitution of Ukraine for nationwide discussion. To determine that the discussion should continue until 1 November 1992.

2. To recommend that councils of people's deputies at all levels discuss the draft constitution of Ukraine at their sessions and forward their conclusions and remarks to the Commission for the Elaboration of the New Constitution of Ukraine.

3. The Presidium of Ukraine's Supreme Council and permanent commissions of Ukraine's Supreme Council are authorized to organize work on discussing Ukraine's new constitution and generalizing remarks and proposals submitted in the course of the nationwide discussion. [Signed] I. Plyushch, chairman of Ukraine's Supreme Council
Kiev, 1 July 1992

National Security Council Holds Session 14 July

AU2407151692 Kiev HOLOS UKRAYINY in Ukrainian 17 Jul 92 p 1

[Editorial: "Session of Ukraine's National Security Council"]

[Text] On 14 July, Ukraine's National Security Council held a session under the chairmanship of President L.M. Kravchuk. This is a new consultative and advisory body in the system of state executive power subordinated to Ukraine's president. It was created to make more efficient, the process of elaboration and adoption of decisions on questions of national security by Ukraine's president and for determining and implementing state policy in this sphere, which is vitally important for the young and sovereign state.

The session considered questions of legal regulation of the activity of Ukraine's National Security Council and principles of its interrelations with organs of state power and administration and with public organizations and citizens, and discussed major points of the bill "On Ukraine's National Security."

The status and structure of the apparatus of Ukraine's National Security Council and the priority measures for guaranteeing its work were also approved.

Federation of Polish Organizations Registers

LD2507042492 Kiev Ukrayinske Telebachennya Television Network in Ukrainian 1600 GMT 24 Jul 92

[Text] The Ministry of Justice today registered the Federation of Polish Organizations in Ukraine. The Novyny TV and radio agency has been informed by the General Consulate of the Republic of Poland in Kiev that this establishment unites 13 organizations—cultural, educational, scientific, and religious societies—and 6,250 members and that it has 50 departments in 14 oblasts in Ukraine.

Byelarus

Withdrawal of Russian Forces Under Way

LD2407215992 Moscow Radio Rossii Network in Russian 1900 GMT 24 Jul 92

[Text] The withdrawal of the personnel of the Russian forces from the territory of the former Byelarusian Military District is now under way. This was revealed to a RIKA correspondent at the Byelarus Defense Ministry. Rumors which have arisen in connection with this that the Russian military are taking with them military property, hardware, fuel, and food reserves do not correspond to reality. The forces by agreement with the Russian Defense Ministry are being withdrawn with regulation and standard-issue property. This means that neither armaments, military hardware, nor even the reserves of uniforms will not be taken beyond the borders of the republic.

Shushkevich Denies Sending Troops to Dniester

AU2407114092 Kiev Radio Ukraine World Service in Ukrainian 1000 GMT 24 Jul 92

[Text] The Supreme Council of Byelarus has refuted reports in some media to the effect that the republic intends to send troops to the zone of the Dniester conflict. The statement points out that Byelarusian Supreme Soviet Chairman Stanislav Shushkevich particularly emphasized during talks in Minsk with a group of people's deputies that armed intervention by a third side is out of the question. A constitutional way of resolving the conflict is the only possible one.

Meanwhile, despite the announced truce, the exchange of fire continued in the Dniester region during the past night.

Kebich, Shushkevich Disagree on 'Confederation'

OW2507161892 Moscow INTERFAX in English 1525 GMT 25 Jul 92

[Transmitted via KYODO]

[Text] The Chairman of Byelarus' Supreme Soviet Stanislav Shushkevich "regrets" that the republic's Prime-Minister Vyacheslav Kebich mentioned "the beginnings of a confederation" in the CIS.

After the defence treaty between Byelarus and Russia was signed in Moscow, Russia's acting Premier Yegor Gaydar and Vyacheslav Kebich described it in a talk with journalists "as a step towards confederation within the Commonwealth".

Replying questions by the readers of the Byelarusian newspaper ZVYAZDA S. Shushkevich remarked, "that pronouncement was wrong from the political point of view". "No official document has surpassed the positions stated in the CIS agreements", explained the head of Byelarus' parliament. "When grounds emerge for a closer integration between Byelarus and Russia, that could be decided by a referendum", he stressed.

Shushkevich Discusses Sovereignty, CIS

LD2507140792 Moscow ITAR-TASS World Service in Russian 1905 GMT 24 Jul 92

[By the BYELINFORM-TASS correspondent]

[Text] Minsk, 24 July—"Byelarusian sovereignty, declared at the session of the republican Supreme Soviet on 27 July 1990, is the execution of social justice," Byelarusian Supreme Soviet Chairman Stanislav Shushkevich said in an interview to the Byelarusian Information Agency and national television today.

At present, more than 100 countries have recognized Byelarus's independence, and over 50 have established diplomatic relations with us. And as far as I am concerned, it goes without saying that Byelarusian statehood has existed for a long time, the speaker of the parliament stressed. "Since it has been clarified to the world at a number of interstate forums and at various levels, there are no questions now about what Byelarus is and where it is situated. They know that Byelarus is the coordinating center of the Commonwealth of Independent States. Minsk is a civilized European city where representatives of other countries come with great pleasure."

Stanislav Shushkevich clarified what sovereignty is for him from the point of view of the political, economic, moral, and spiritual state of the nation. In his opinion, "sovereignty is the supreme power elected by the Byelarusian people, and there is no power above it. It is subordinated to the Constitution, the legislation of the Byelarusian Republic, and international agreements concluded by the Republic of Byelarus or inherited by it, but then it tackles all issues itself. That was the political aspect of the problem. Now over to the economic one. If we are building an independent state, we ought to define our positions with regard to ownership and on the basis of that we should build our economy. We have decided in principle that we are moving toward a market economy, but we are not doing it the way our western and eastern, or northern and southern, neighbors do. We have decided that we will have a Byelarusian way of doing it, and it ought to be implemented using our Byelarusian intellectual power.

"From the moral point of view, we feel ourselves to be Byelarusians. We have understood that we do have something to revive. We need to do this step by step. I am sure that we will be a highly moral state and that our authority will be highly moral."

In reply to the question, have your ideas about the CIS and its functional mechanisms changed, S. Shushkevich stated:

"The seven and a half months that has passed since the moment when the Commonwealth was established has afforded me a certain satisfaction. I am convinced that the CIS was created in the interests of the majority of

peoples living on the territory of the former USSR. At certain stages there was some anxiety. Now hardly anyone doubts that the Commonwealth will survive. I am convinced that we need many new agreements since the CIS cannot function well within the framework of the existing ones, and one of the main issues is the establishment of a structure to serve as an economic advisory body, an economic coordinating council. This exists in a number of commonwealths and it will exist in ours. Incidentally, we spoke about establishing such an organization at our first session in Belovezhskaya pushcha, but then there was a lot of opposition to any sort of coordinating structures, since we had still not got rid of the old ones, and now those very people who swore not to countenance any committees or councils are raising the issue of establishing them. In my view, they have acquired a taste for the Commonwealth. It helps them to exist, it prevents the collapse of the economy, and it puts economic links into market principles. It is possible for us to live well in this Commonwealth, like normal people, and this is how we will live."

Shushkevich Notes Progress in Independence

OW2707083992 Moscow Central Television First Program and Orbita Networks in Russian 1900 GMT 26 Jul 92

[Interview with Supreme Soviet Chairman Stanislav Shushkevich by correspondent Aleksey Zhuk; place and date not given; from the "Utro" program—recorded]

[Text] There is another important event today. Today the Republic of Byelarus is marking its national day. Two years ago a session of the Supreme Soviet of the republic adopted the declaration on the state sovereignty of Byelarus, and a month later an extraordinary session of parliament adopted the law on giving this declaration the status of a constitutional law. Our correspondent Aleksey Zhuk interviewed Stanislav Shushkevich, Chairman of the Supreme Soviet of the Republic of Byelarus.

[Begin recording] [Zhuk] So the road was crossed in two years—the road from the declaration to independence. In reality, that was when the conditions of state independence began. What do you think? Has something fundamental, something good, been achieved during this time?

[Shushkevich] You know, we have managed to concentrate all the concerns about the Republic of Byelarus here in Minsk. Previously, when more complex issues were involved, we had to approach the center. The issues were solved in Moscow. People were even afraid to raise some of the issues here. Now, neither this fear nor the center exists so we are solving the issues here, taking into consideration where we are located. It cannot be otherwise. We do not consider sovereignty as absolute. We now really do have the highest level of power right here in Byelarus, and we are happy that our neighbors understand us.

[Zhuk] So our Byelarus is picking up speed as an independent state. Now as I recall it, Stanislav Stanislavovich, at the talks with the leader of the European Parliament, the chairman of the European Parliament, you said that we are building relations with other countries, particularly with the European Community, as partners, specifically as partners and not as suppliants for some form of help.

[Shushkevich] They say that I was strongly criticized for that at first, for the fact that I told Mr. Baker that we are a very proud country and that if we cannot feed ourselves then the leaders ought to be sacked. Now our government is pursuing a policy aimed at providing our people with everything they need ourselves. I mean they must provide for themselves, but the government, with the levers of regulation and distribution that it controls, must not upset this system, because we inherited a distribution system from the past and we are now moving away from it.

Now, and I stress—and as a matter of fact the leaders of Russia are saying this too—all the outside assistance that can be given is not help for us alone. It is help to them too. Credits must be paid for because it would be naive and funny to presume that somebody would take care of us.

[Zhuk] Another question. Today we have a national holiday. Byelarusians, as you declared in your address over national television, are firmly rising to their feet.

[Shushkevich] Actually, you know, I said something a little different. I cited the words of Klyuchevskiy [a pre-revolution Russian historian] who said that great people are not those that nobody forced to their knees, but great people are those who manage to rise from their knees. I said that today we have risen to our own feet, although we are standing on them rather shakily, not too confidently. It is a difficult process to learn to walk independently, and we are mastering it and we want to walk in such a way as not to bother anybody walking alongside us.

[Zhuk] Thank you. I wish you a happy holiday.

[Shushkevich] Thank you. [end recording]

Officials: Russian Pact Can Serve as Model

OW2407175492 Moscow INTERFAX in English 1625 GMT 24 Jul 92

[By Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin and edited by Boris Grishchenko; from "Presidential Bulletin"—transmitted via KYODO]

[Text] The Byelarus government structures are actively working on draft bilateral military agreements with Kazakhstan, Latvia, Ukraine and a number of other former Soviet republics. IF's [INTERFAX] Minsk correspondent cites sources in parliament as giving high grades to the similar agreement with Russia that was signed in Moscow Monday [24 July].

"The conclusion of the military treaty between Byelarus and Russia is of paramount importance for the two countries," said Byelarus premier Colonel-General [title and rank as received] Pavel Kozlovskiy at a Moscow press-conference.

The government circles note in this connection that Russia's decision to set up its own military had created a host of problems during the runup to the signing of the treaty. Since the CIS strategic forces on the territory of Byelarus went over under Russia's jurisdiction, Gaydar and head of the Byelarus cabinet signed a document that listed the troops that would hereafter be regarded as Russia's. A similar (and nearly identical) list had been signed by Vyacheslav Kebich and CIS commander-in-chief Marshall Yevgeniy Shaposhnikov.

Russia plans to place some of its troops in Byelarus under interim jurisdiction of the CIS united command. Russia is going to have 30,000 troops on the Byelarus soil, with the strategic troops are their heart.

IF Note: In Moscow the heads of government signed two military documents: on strategic forces that are temporarily located in Byelarus and on principles of logistical supply of the Russian troops on its territory. the defense ministers signed two ministry agreements: on the procedures regulating the tours of duty of Russian and Byelarus servicemen and on cooperation in training military personnel for both states. Also, the Byelarus and Russian sides agreed to develop a special system to monitor the use of strategic nuclear arms in Byelarus. Until now the secret nuclear launch codes were in Moscow, in Yeltsin's hands. the new system is reported to make impossible to launch strategic missiles without agreement of both parties.

But the Byelarus leaders believe that Russia's bilateral military agreements cannot be viewed as Byelarus' entry into a military alliance which is illegal by republican law since, said Byelarus chief military aide of the Supreme Soviet chairman Mechislav Grib in an exclusive interview with IF, the document does not provide for joint military operations. For example, in case either party is attacked, Byelarus and Russian only pledged to "hold bilateral consultations." The Moscow documents provide for weapons trade between Byelarus and Russia. But it is reported, as confirmed by Kozlovskiy, that over the next 3 or 4 years the republic will not commission conventional arms at Russian factories. Byelarus has enough of they, says the defense minister.

IF Note: Russia confirmed its willingness in Moscow to pay 5.5 bn. [billion] rubles out the 8 bn. it owns to Byelarus's defense industry soon.

A timetable for the withdrawal of Russia's strategic forces from Byelarus was not specified in Moscow, but the delegations noted that it cannot overstep the timetable as agreed up at the Lisbon meeting: 7 years. The documents singed in Russia will be valid for five years. The will take effect as soon as ratified by both parliaments.

IF Note: First deputy Russian Defense Minister Andrey Kokoshin and Russian deputy defense Minister Dubynin gave high grades to the treaty in a TV interview on July 23. Kokoshin described the document as a model for the resolution of the problem of nuclear arms in former Soviet republics: Kazakhstan and Ukraine.

Moldova

Snegur Issues Statement on Russian Accord

LD2407211292 Chisinau Radio Chisinau Network in Russian 1800 GMT 24 Jul 92

[Statement by Moldovan President Mircea Snegur; place and date not given—read by announcer]

[Text] Here is a statement by President Mircea Snegur:

Fellow countrymen! Our movement for national liberation and for the establishment of our independent and free state is encountering furious resistance both within the republic and outside it. Two years of conflict in eastern Moldova has cost numerous human lives, undermined the economy, destroyed villages and towns, and increased the number of refugees.

The development of conflicts in other parts of the world has demonstrated that sooner or later problems have to be resolved around a negotiating table, by peaceful means. Only madmen or scoundrels who do not wish our people well can fail to recognize this. It is a fact that democratic forces in Russia, headed by its president, Boris Yeltsin, are distancing themselves further and further from chauvinist and pro-imperial forces. Thanks to this, prerequisites were created to establish a peace mechanism to settle the conflict. After several weeks of productive talks, Moldova and Russia signed an agreement in Moscow on a cease-fire, thereby getting a negotiating process under way. This agreement was based on solid principles, common sense, and the vital interests of our state. The main feature of the agreement is respect for the [words indistinct] and territorial integrity of the Republic of Moldova.

In this context I would like to remind you that a month ago the Russian Supreme Soviet was only a step away from recognizing the independence of the eastern districts of Moldova. At the present stage can there be anything more important than respect by Russia's supreme leadership for Moldova's integrity? Surely it is clear to everybody that this dooms the attempts by separatists to wrest territory from our country by force and to destroy us as a people.

The agreement also envisaged the following principles: the withdrawal of forces involved in the conflict; ending of the economic blockade; definition of the eastern districts' status by parliamentary means; the return of refugees to their former homes; respect for human rights, including those of ethnic minorities; and a stage-by-stage withdrawal of the 14th Army.

(?Next), the principles, [words indistinct] an end to the war and safeguarding of our country's territorial integrity. If, on this basis, [words indistinct] in the present geopolitical and economic conditions, created possibly the only sensible solution which could lead to peace in this region. In these conditions all healthy forces in the republic support the end to bloody war and contribute towards the settlement of the conflict. However, [words indistinct] forces which are hostile towards the peace process. By their aggression and intolerance they demonstrate quite clearly that they are a war party.

Through its representatives, the extremist wing of the Popular Christian Democratic Front [PCDF] has done everything it can to encourage acts of bloodshed even when it was obvious that war was not (?the way) to victory. It is also noteworthy that calls for large-scale military operations were accompanied by rhetorical questions. Who will answer for the loss of life, they asked. So, on the one hand you have encouragement of the war and, on the other, cunning redirection of the people's natural dissatisfaction towards the republic's leadership. That is why the extremist wing of the PCDF, acting through their newspaper and certain of their representatives amongst the volunteers, hastened to describe the document signed in Moscow as treason. The PCDF statement, which consists of groundless accusations and bellicose slogans, provides grist to the mill of separatism, aimed at deceiving people of goodwill and, thereby, hampering the process of establishing peace in the country. These forces, which basically occupy the same position as the national fascists in Moscow, want to destabilize the sociopolitical situation in the republic at all costs.

At a time when the forces of the Army and police are extremely politicized, when thousands of civilians are carrying firearms, such calls can only be described as antinational, unconstitutional, and even criminal.

I would like to draw your attention to a statement made in the Romanian newspaper (?OPINIA ROMANIEI) by Vasile Roman, the Romanian chairman of the Orchey district branch of the PCDF and leader of a volunteers' detachment. We have traveled to Iasi to express our support for Mr. Mircea Druc as a candidate for the post of president of Romania. He is the only man who can resolve the difficult problems facing Romania and realize the sacred ideal of our nation, the reunification of the Republic of Moldova with its mother country. We also wish to draw the public's attention to the fact that the bloodshed in the Dniester region has been caused by the president, prime minister, and parliament of the Republic of the Moldova, which continue to support ethnic conflicts which serve their goals. Roman went on: We, volunteers of the Vasile Lupu detachment from Bytije, are fully determined to go, arms in hand, to Chisinau to remove Mircea Snegur, Andrey Sangeli, and the parliament members who have sold themselves, and to impose order and discipline in the Republic of Moldova by restoring the rights of PCDF representatives.

I do not think any commentary on this is necessary!

The time has come for those whose task it is to defend constitutional bodies to speak out firmly. The time has come for people of goodwill, who have fought for our country's independence and integrity, to have their say.

Fellow countrymen! At this time of severe tribulation for the destiny of our people, I call on you to think carefully about who it is wishes the people well and who is pushing us into a bloody war with tragic consequences. If we succumb to emotion, if we start acts of bloodshed, the community of civilized countries which refuse to recognize violent methods will simply turn its back on us. We may find ourselves isolated and classified as a bellicose and barbaric people for many years hence, because of the actions of People's Front extremists. This would signify nothing other than the complete defeat of our liberation movement and would demonstrate our inability to build a free and independent state.

Now that we are undergoing a grave test I call on you to remain calm and show sense, as you have done in many similar situations, and to trust the leadership of the republic, whose only mandate from the people is to safeguard the country's independence and territorial integrity, civic peace, and people's prosperity. Let's not allow adventurists who are bent on gaining power to realize their ambitions at the cost of bloodshed, by sacrificing the peace that our children deserve and the future of the entire people.

Chisinau Protests Follow Snegur Speech

AU2507133192 Bucharest Radio Romania Network in Romanian 0400 GMT 25 Jul 92

[Gabriel Ionescu report from Chisinau]

[Text] The situation in the center of the capital of the Republic of Moldova deteriorated yesterday afternoon, following the radio-television speech by President Mircea Snegur. Scores of citizens started assembling on Stefan cel Mare Boulevard, in the Grand National Assembly Square, and in front of the parliament building. They were chanting anticommunist and antigovernment slogans.

Tension increased when an armed group of more than 100 volunteers, who are defending Moldovan positions in the conflict zone of Cocieri and Cosnita, appeared. The representative of this group requested an interview with President Snegur, saying that they do not agree with some of the principles formulated in the convention for the peaceful settlement of the armed conflict in the Dniester zone of the Republic of Moldova, a convention that was concluded recently in Moscow between Presidents Mircea Snegur and Boris Yeltsin. The demonstrators said that the presence of weapons should not cause concern, because they have no intention to use them.

This was followed by negotiations between state representatives and delegates on behalf of the combatants in

the square. The leadership of the republic was represented by parliament Chairman Alexandru Mosanu; Prime Minister Andrey Sangeli; first parliamentary Vice Chairman Ion Hadirca; the ministers of defense, interior, and foreign affairs—Creanga, Antoci, and Tiu—and by other deputies.

The discussions ended late last night. After the meeting, one of the representatives of the demonstrators, Lieutenant Vasile Roman, platoon commander in the Haiducii Battalion, said to the press that during the discussions the combatants in the front lines demanded that Moldova be firm in its orientation toward independence and that the republic's leadership renounce the idea of including the country into the community of the CIS states. It was specified that a meeting will be held with Mircea Snegur in the coming days.

In an interview granted to the press after the negotiations, parliament Chairman Alexandru Mosanu mentioned that the 90-minute discussions were held in an open, nondiplomatic, and resolute [barbatesc] atmosphere. He said that it was agreed that the combatants return to their positions. At the same time, the republic's leadership will undertake measures in accordance with legal provisions to help ease the conflict caused by shortfalls in the activity of the parliament and government.

The situation is complicated, Mosanu added. If we begin to fight each other, the consequences may be the worst ever for the situation of our republic, and we would only have irreparable losses or maybe losses that would have very negative historic consequences.

Further on Protest

OW2407191692 Moscow INTERFAX in English 1615 GMT 24 Jul 92

[Transmitted via KYODO]

[Text] Friday [24 July] afternoon, members and followers of the Christian Democratic Popular Front (CDPF) contesting for immediate reunification of Moldova with Romania began rallying in the center of Chisinau. Many of them were carrying arms.

The Interfax correspondent reports from the city that nearly 100 soldiers of Moldova's National Army and volunteers, all armed, have abandoned their positions in the vicinity of Cocieri and departed toward Chisinau on board APCs, reportedly, with an intent to join the political hunger strike staged by nine volunteers.

The hunger-strikers have chosen this form of protest to express their disagreement with the re-appointments in Moldova's government. They want the republic's new premier, Andrey Sangeli, to resign and demand that the republic's former defense minister Iona Kostas and national security minister Anatol Plugaru be reinstated in their offices. Local observers identify the ministers with Moldova's so- called "War Party". Incidentally, both of them have already been reappointed, respectively, to the posts of Moldova's military attache in Romania and deputy foreign minister.

The initiator of the hunger strike, Todor Cuary, maintains that should the government refuse to comply with their demands, he will perform an act of self-immolation at 10 a.m. Sunday.

All the security service and special purpose police detachments in Chisinau have been alerted to deter possible assaults at Moldova's presidential residence, parliament and government buildings.

The armed groups which are no longer subordinate to the command of Moldova's National Army have joined ranks with the CDPF opponents of President Mircea Snegur and the republic's new premier Andrey Sangeli with the intent to force the president and the government to resign.

According to the unofficial and unconfirmed reports, the government's and volunteers' representatives are engaged in the process of talks, the volunteers objecting to the recent Russian- Moldovian agreement of settlement in Dniester.

Snegur, 'Volunteers' Hold Talks on Strike

AU2607143092 Bucharest Radio Romania Network in Romanian 1000 GMT 26 Jul 92

[Gabriel Ionescu report from Chisinau]

[Text] While this morning I reported that the situation was calm in Tighina [Bendery] yesterday, I cannot say the same thing about last night. The Ministry of Interior of the Republic of Moldova informed us a short time ago that, beginning at 2000 there were some incidents in the city of Tighina caused by the separatists. Three riflemen were seriously wounded in the attacks launched at 2000 with automatic pistols on positions defended by the police.

At 2330, the separatists attacked a movie theater in the city with three grenades, and five minutes later they launched four grenades at the Police Headquarters. Shooting and grenade explosions could be heard at 0000 and at 0130. Toward morning, the situation calmed down again. Nothing is known yet about the reaction of the military contingent of the 14th Army, which is present in Tighina to ensure order.

The volunteers, who have been on a seven-day hunger strike in front of the Stefan cel Mare Statue in the center of Chisinau, have announced that they will call off this protest action.

The press service of the president of the Republic of Moldova has announced that President Snegur held a meeting this morning with the representatives of the volunteers. The latter presented their political claims regarding the latest events in the Republic of Moldova

that, in their opinion, may lead to the loss of independence. During the discussions, it was concluded that better information is needed for the public on developments in the republic.

Mr. Mircea Snegur said he will by no means tolerate the vengeance of conservative forces that harbor the hope of installing a pro-imperial regime. He mentioned that he favors the idea of creating a regiment of volunteers that should include the best defenders of the homeland. Moldova's president also referred to a number of measures that are going to be applied to ensure the social protection of combatants and citizens.

Referring to the convention signed with Moscow, Mr. Snegur specified that it aims to prevent possible aggression against the Republic of Moldova. At the same time, everything possible will be done to achieve a rapid withdrawal of the 14th Army from Moldova's territory.

Following this dialogue, the citizens present at the meeting said that they were going to stop the hunger strike.

Further on Talks

LD2707100692 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 0800 GMT 27 Jul 92

[From the "Novosti" newscast]

[Text] President Snegur of Moldova yesterday met with a group of volunteers who, after returning from their positions in Dubossarskiy Rayon, started a hunger strike in protest at the agreement with Russia on a settlement in the Dniester Region. Snegur rejected the pickets' demands for the government's resignation. However, he did promise to remove Defense Minister Ion [as heard] Kryange from his post, to improve social security for servicemen, and to intensify the struggle against corruption in the army and the government.

Snegur Denies Change in Political Trend

AU2607144492 Bucharest ROMPRES in English 1343 GMT 26 Jul 92

[Text] Bucharest ROMPRES 26/7/1992—"Volunteers must resume their positions and honestly do their duty to the homeland" said the president of the Republic of Moldova, Mircea Snegur, in an interview for "THE CHICAGO TRIBUNE" and the Italian Television. "It is important now that peace takes roots so that the refugees may return to their homes. It is for that purpose, for the peaceful resolution of the conflict in Moldova's eastern districts, that a Moldovan-Russian communique was signed." Mr. Snegur said that international bodies like the UN and CSCE which were appealed to were willing to send peace-keeping forces in the conflict area, but that the process took time.

The Moldovan president denied allegations that the Transdniester rebellion was fuelled by a wave of nationalism which spread to all the republics in the former union after its collapse. He said that it was paradoxical and indeed unnatural that a very low percentage of Moscow's envoys should administer the republics where the majority population had historical and cultural traditions. The president also said that the effort was now aimed to achieve a consensus through the formation of a national reconciliation government. "It is a decision that parliament alone must make," said the president adding that he was hopeful the parliamentarians from the left bank of the Dniester would resume their seats in the law-making body to discuss the ways out of the conflict in a civilised way.

Mr. Snegur criticised the opinions according to which conditions were in place in Moldova for conservative forces to be brought to power and change the political course to independence and liberty. "The people who defended their achievements arms in hand are a force to be reckoned with, and this is something that extremists in both camps should keep in mind," said President Snegur quoted by MOLDOVA PRES.

Snegur Promises To Resolve Dniester Conflict

LD2607110592 Moscow Russian Television Network in Russian 1000 GMT 26 Jul 92

[From the "Vesti" program]

[Text] Moldovan President Mircea Snegur has promised to resolve the conflict peacefully. He has issued a decree on the social protection of servicemen in Moldova. The aim of the decree is to improve the situation of soldiers and their families who are fighting on the Moldovan side.

The 14th Army will preserve complete neutrality on the territory of the Dniester region. This was stated by Russian Defense Minister Grachev. This neutrality, he said, will be maintained only as long as the Army is not attacked from the air. The minister confirmed the fact that units of servicemen have gone over to the Moldovan side, along with weapons and equipment. On the whole these were local inhabitants who make up almost half of the Army's numbers.

Dniester's Smirnov Welcomes Peace Agreement

OW2407120792 Moscow INTERFAX in English 0605 GMT 24 Jul 92

[Transmitted via KYODO]

[Text] President of the Dniester-Moldovan Republic (DMR) Igor Smirnov was positive about the signing of the Russian and Moldovan agreement on the principles of a peaceful settlement of the armed conflict in Dniester. He pointed out that the main goal of the agreement was to stop the fighting and the killing of people. "The Dniestran Republic has finally been recognized as a

negotiating party, which means that the process of determining DMR's political status has effectively begun," declared Smirnov in a meeting Thursday [23 July] with leaders, deputies, and representatives of social organizations in Dniester.

The Dniestran leader thanked Russia for her peacekeeping mission and expressed surprise at the fact that Ukraine, though working to prepare the ground for the signing of the agreement, did not take part in it. Smirnov expressed the hope that in the future Ukraine would not relax its efforts aimed at establishing peace in Dniester.

Radio Criticizes 'Haste' of Peace Agreement

AU2407113792 Chisinau Radio Chisinau Network in Romanian 2000 GMT 23 Jul 92

[Moldova Press commentary on Radio Chisinau Network, entitled "Peace or Illusion"; relayed by Romanian's Radio Iasi—recorded]

[Text] The signing ceremony of the agreement on the peaceful settlement of the armed conflict in the Dniester region of the Republic of Moldova ended with the drinking of champagne, which protocol required Igor Smirnov to take part in. Although there were three sides present at the ceremony, only two signed the agreement, Russia and Moldova, and this probably means that the Russian Federation is playing a double role: as both guarantor and aggressor, directly or indirectly. However, beyond these somehow incoherent aspects for those used to clear facts, there is an agreement here.

The Russian and Moldovan sides welcomed this agreement without reservation, and the Dniester side, somehow more philosophically, tried to declare through the same Igor Smirnov that Moldova had given in; namely that Moldova had understood that it had made a mistake and it gave in.

At first reading, the agreement, and especially Articles 4, 5, and 6, give the impression of intentions and aspirations of pacification and normalization. However, with a closer reading of the text, with some connections to a not-so-old history, a number of questions emerge.

First of all, why does Russia become a guarantor? Russia has been, and still is involved in attacking the Republic of Moldova through volunteers, the supply of arms, and an important information and propaganda support. What can Russia guarantee? Who then is the aggressor? Who is responsible for the loss of human life?

The republic preserves its integrity, the document says, but what kind of integrity are we talking about when an important part of the territory of the Republic of Moldova is occupied by aggressive hostile forces, capable of unimaginable atrocities, surprise attacks, and provocations. On the basis of what international law can a group of criminals become negotiating partners overnight? Moreover, they are even offered positions in the new government, as well as other benefits. Where is the logic here? They should cease fire?

A lot of skill was needed to see the consequences of unending consultations and compromises leading to the declaration of a state of emergency. This political game in which the leaders of Tiraspol actually become recognized leaders who hold negotiations with champagne glasses in their hands seems to be without taste. According to the agreement, police forces will be in charge of guaranteeing order in the city of Bendery. Is this a novelty compared with similar activities in the past? No. And another sentence from the same Article III quoted above: The administrative and economic activity in Bendery will be guaranteed by the existing self-governing bodies and, if necessary, in cooperation with the Control Commission. In other words, we are talking about the same organs that led to the creation, support, and consolidation of anti-constitutional organs and to the subsequent tragic events. Who will pay for the crimes committed?

Article IV says the following: Units of the 14th Army of the Russian Federation deployed in Moldova will strictly respect neutrality. Have they respected it before? Will they respect it from now on? Why did they get involved? Then, the document continues to mention the two sides involved in the conflict. Which sides? We know that Tiraspol— supported by Moscow officials and the 14th Russian Army, which apparently acted only according to the orders of the Moscow officials—takes it upon itself to respect neutrality and to refrain from any action against the members of this army and their families. Who did not respect neutrality and refrain from military actions?

However, let us hope that all these problematic elements are details that have been overlooked because of the haste with which this document was signed and, in the course of its implementation, some mechanism for creating an equitable and authentic peace will be found, including the elimination of all the aggressive forces from the area and the punishing of state criminals. Only after this will peace come, a lasting and much desired peace.

Dniester, Moldovan Talks Held in Tighina

AU2507204592 Bucharest Radio Romania Network in Romanian 1900 GMT 25 Jul 92

[Gabriel Ionescu report from Chisinau]

[Text] The first meeting between the representatives of Moldova and those of the Dniester region after the conclusion of the Moscow Convention was held in Tighina [Bendery] today. The sides examined ways and means to create mechanisms to ensure the implementation of the principles stipulated in the convention regarding the peaceful settlement of the conflict in the Dniester zone of the Republic of Moldova.

Nicolae Chirtoaca, counselor in charge of military affairs to the president of the republic, during a Chisinau Radio

live relay this evening said that the leading body of that mechanism will be represented by the control commission headquartered in Tighina, together with groups of military observers. At the same time, limited military contingents will be set up.

Today the draft activity regulations of the control commission were worked out. The Moldovan representatives dwelled on the role to be played by the groups of military observers, including those set up following the agreements that were reached during the meetings between the ministers of foreign affairs of the Russian Federation, Republic of Moldova, Romania, and Ukraine. There are hopes that these mechanisms will aid cooperation to ensure a peaceful settlement of the military conflict, Chirtoaca emphasized. He added that a meeting was held yesterday between the representatives of the Ministry of Defense, Interior, and Security of the Republic of Moldova and the 14th Army Command. It was decided that the Armed Forces of the Republic of Moldova should act, together with a limited contingent of the 14th Army, to stabilize the situation in the city of Tighina. Control and survey posts are to be created with the help of soldiers accompanied by armored cars. They are to blockade the city to prevent other military formations, which are not under Moldova's jurisdiction, from entering the city.

Smirnov's people have declared that they have no possibility of taking the initiative into their own hands, President Snegur's counselor for military affairs specified.

As reported, the first step in the application of the mechanism to stabilize the situation was made yesterday afternoon when troops of the 14th Army appeared in Tighina. According to on-the-spot reports that situation in this city is calm.

Russian 14th Army Enters Bendery 24 Jul

LD2407190192 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1700 GMT 24 Jul 92

[Video report by correspondent V. Luskanov; from the "Novosti" newscast]

[Text] At 1600 today units of the 14th Army of Russia entered the town of Bendery. A column of 30 APCs, under white flags, crossed the bridge across the Dniester in accordance with the signed Russian-Moldovan agreements. A monitoring [kontrolnyy] commission is being set up in the city and a special situation [osoboye polozheniye] regime is being introduced.

Ten battalions of the peacekeeping forces—six from Russia, two from Moldova, and two from the Dniester region—will be deployed in the Dniester region in the next few days. Meanwhile, officers and soldiers of the 14th Army have taken the peacekeeping mission upon themselves, with the agreement of all the warring sides, while awaiting the arrival of the main forces.

General Lebed, commander of the Army, has issued orders to fire upon any truce violators, regardless of which side they belong to. The Army has assumed control of 16 key posts in the city. The servicemen are counting on tough punitive measures putting an end to the nightly exchanges of fire that are bringing terror to the peaceful inhabitants.

It is unlikely that tonight will pass calmly. But the forces capable of making both sides cease fire are in the city already.

Gun Emplacements 'Wiped Out'

OW2507125192 Moscow INTERFAX in English 1218 GMT 25 Jul 92

[Transmitted via KYODO]

[Text] The soldiers of the 14th Army wiped out several gun emplacements in Bendery last night—some belonging to Moldovan volunteers, others to Dniester guards—violating the ceasefire orders. INTERFAX has been told so by the State Secretary of the Dniester Moldovan Republic Valeriy Litskay. Two of the Army's infantry battalions were stationed in Bendery on Friday [24 July] to separate the warring sides according to the agreement signed by Presidents Boris Yeltsin and Mircea Snegur. The soldiers have orders to shoot anyone violating the ceasefire.

The operation for ending hostilities in the area will be carried out by six battalions of the 14th Army. According to Moldova's Defence Ministry battalions of the Moldovan Army are also taking positions in the combat area to carry out similar orders—squash without delay any fire from whichever side.

'Third Force' Attacks

LD2707091592 Moscow ITAR-TASS in English 0838 GMT 27 Jul 92

[By ITAR-TASS correspondent Valeriy Demidetskiy]

[Text] Chisinau July 27 TASS—Moldovan and Dniester forces, the main warring sides in the Dniester conflict, found themselves attacked by a "third force" in Bendery on Monday [27 July] when peace-keeping operations began in the region.

Unknown people used small arms, mortars and rocket launchers to attack Moldovan and Dniester positions overnight, both sides said. Joint Moldovan-Dniester peace-keepers also came under fire. Wounded were reported.

The so-called "third force" are armed units which are not subordinated either to Moldovan or Dniester authorities. It is believed to include extremists and criminals from both conflicting sides who are interested in prolonging the conflict.

Peace-keepers who are to disengage the conflicting sides were ordered to eliminate any stronghold which opens fire.

The 14th Russian Army jointly with Moldovan and Dniester units began to clean the city of Bendery from the "third force". In the rest of the region the situation remained quiet overnight.

A wave of crime hit Moldova as arms were illegally brought to the republic from the frontline. The number of armed burglaries and other grave crimes increased, according to the Interior Ministry.

Reports of Guard Commander's Death Questioned

PM2407140192 Moscow KOMSOMOLSKAYA PRAVDA in Russian 24 Jul 92 p 1

[Report by A. Khantsevich and A. Khokhlov: "Kostenko May Be Alive"]

[Text] Perhaps we were overhasty when we published an ITAR-TASS report 21 July on the death of Yuriy Kostenko, commander of the Bendery guards. In the past few days reports have appeared which cast doubt on this story.

"For two days, in a state of semi-shock, I could not get any information about my husband. The Tiraspol prosecutor's office is offering a badly burned and unrecognizable corpse for me to identify. Luchik did not say that my husband was burned in his vehicle..." (from a telegram to KOMSOMOLSKAYA PRAVDA).

We managed to reach B. Luchik, prosecutor of the Dniester Moldovan Republic, by telephone.

"Different newspapers have published different versions, each journalist has 'reshaped' my words as he sees fit... In actual fact on the morning of 18 July Kostenko, escorted by staffers of the Dniester Moldovan Republic security service, was traveling to show the whereabouts of a "stock" of articles acquired through looting. The truck stopped, the escort got out. Kostenko did not have time to get out—four unidentified men, probably his accomplices, opened fire for effect. Kostenko was killed immediately and two of the security service staffers were wounded. The vehicle containing the body of the former battalion commander was burned."

"Where are his remains now?"

"They were sent to Odessa yesterday for a skilled expert examination."

"Why did his wife not identify Kostenko's body?"

"What wife? Which wife? He had three. We expect the results of the examination any day. Then there will probably be no questions unanswered."

But in the meantime there are questions. The Kostenko case is confused. At present we can talk only of stories. There are four versions.

The first is the one told by B. Luchik. It has many "blanks." How did Kostenko's "accomplices" learn that the security service staffers would drive out to that specific place? Why did they have to kill him rather than beat him up?

The second story was put forward by the Moldova police. The republic's Internal Affairs Ministry reported that Kostenko has been released by the Tiraspol authorities and is now in hiding "somewhere in Russia." The "fuss" over the burnt corpse was aimed at gaining time so that Kostenko "could find a reliable hiding place." The police story is also dubious.

The third story was reported by a source from Bendery: Kostenko was killed by his own people. He had committed too many crimes and compromised the guard. In fact, "the black sheep was being removed from the flock."

The fourth story was told to us yesterday evening by an anonymous source from the Dniester Region: Kostenko is alive and well and under guard in Tiraspol.

It is obviously too early to close the "Kostenko case."

Kazakhstan

Officials Deny Nuclear Links With Iran

LD2507184792 Tehran IRNA in English 1738 GMT 25 jul 92

[Text] Mosocw, July 25, IRNA—The Atomic Energy Agency of Kazakhstan said Saturday [25 July] that contrary to a report in the Russian daily IZVESTIYA last week the agency had not sent any atomic energy consultant to Iran.

Deputy managing director of the agency Valerin Schumanskiy said in a telephone interview with IRNA Saturday that the agency near Alma-Ata of Kazakhstan engaged solely in studies on nuclear physics. He said the agency was "One of the countless similar reactors throughout the world which were being used exclusively for scientific and peaceful purposes."

Schumanskiy discounted the technical capacity of any reactor center anywhere in the world to produce nuclear weapons.

Commenting on IZVESTIYA's report, vice president of the Nuclear Physics Institute of Kazakhstan's Science Academy Gadlet Batyrbekov also reached by telephone said to IRNA today that his institute had not ever undertaken any project in the area of atomic weapons. He said that the atomic experts of the institute who had gone abroad could not possibly help other governments get access to atomic weapons because they did not have the necessary technical know-how.

Asked to comment on the same report in another telephone interview, Nikolay Larin head of the press office of Kazakhstan's president said he did not know anything about the existence of atomic weapons experts at the nuclear centers of Kazakhstan to begin with.

The Russian daily IZVESTIYA last week quoted Israeli sources as saying that a Kazakh atomic expert named Andre who worked in Israel had "become missing and unheard of and had gone to Iran."

Israeli sources, according to IZVESTIYA, have alleged that Iran is trying to lure "all experts of an atomic center in Alma-Ata of Kazakhstan for the purpose of producing atomic weapons."

Suleymenov on Development of Foreign Relations

OW2707125892 Moscow INTERFAX in English 1215 GMT 27 Jul 92

[From the "Diplomatic Panorama" feature; transmitted via KYODO]

[Text] Relations with the USA are a priority in Kazakhstan's foreign policy, said the Kazakh Foreign Minister Tuleutai Suleymenov at a press conference in Alma-Ata.

With reference to Kazakhstan's regional policy, the minister said that Alma-Ata maintains friendly relations with such countries as China, Iran, Pakistan and India. As for the ties with Turkey, he described them as fraternal.

The republic's work in the western "direction" has also been active. In the wake of President Nursultan Nazarbayev's extensive tour of Western Europe Kazakhstan will soon be visited by Francois Mitterrand, Felipe Gonzales and Helmut Kohl, said T. Suleymenov.

With reference to the need to eliminate nuclear weapons deployed in Kazakhstan the minister reaffirmed his country's desire to become a non-nuclear state. He added that Kazakhstan gained success in this area by becoming a party to the treaty on cuts in strategic weapons.

Kazakhstan only gained by agreeing to become a non-nuclear state, T. Suleymenov pointed out. In his words, there is an agreement that the United States will immediately request the U.N. Security Council to give aid to Kazakhstan in the face of the threat of an attack.

The minister also said that if his republic had insisted on maintaining its nuclear status, international response to this would have been "highly negative". He said Kazakhstan would have been denied access to interntional financial organisations and any economic aid would have come under question.

With reference to some issues of diplomatic life T. Suleymenov said that over 100 countries have already recognized Kazakhstan's independence. In the near future Germany, France, South Korea, China, Pakistan and Iran will open their diplomatic missions in Alma-Ata in addition to the American and Turkish embassies already functioning there. For its part, Kazakhstan will open its embassies in Washington, Ankara and Beijing.

With reference to the personnel issues T. Suleymenov said there are plans to increase the staff of Kazakhstan's Foreign Ministry from the 100 people employed currently to 476. Later on the republic's diplomatic staff will make up some 1000 people (not counting the attendants). A few months ago there were only 20 people on the staff of Kazakhstan's Foreign Ministry, the minister said.

According to T. Suleymenov, personnel for the Foreign Ministry will be trained by Kazakhstan's State University. A diplomatic section has already been opened on the basis of its history department where lectures will be delivered by leading experts from Moscow's International Relations Institute.

Kazakh Communist Party To Follow Lenin's Course

LD2607170992 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1100 GMT 26 Jul 92

[From the "Novosti" newscast]

[Text] A news conference was held in Alma-Ata by members of the Kazakhstan Communist Party Central Committee. Its participants announced the decision to follow Lenin's course in spite of prohibition. The strength of their party amounts to 55,000 people. This was reported by the EKSPRES KHRONIKA agency.

Tajikistan

Nabiyev Appoints Khaliknazarov Foreign Minister

LD2507205592 Dushanbe Radio Dushanbe Network in Tajik 0007 GMT 25 Jul 92

[Text] The president of the Republic of Tajikistan has issued a decree appointing Khudoyberdy Khaliknazarov as foreign minister of the Republic of Tajikistan. In line with the decree of the president of the Republic of Tajikistan, [name indistinct] Bobodzhonov was appointed chairman of the State Committee for External Economic Relations of the Republic of Tajikistan.

Parliament Accused of Inability To Stop War

LD2307132192 Moscow ITAR-TASS in English 1203 GMT 23 Jul 92

[By ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe July 23 TASS—Tajik parliamentarians from Kulyab and Leninabad regions accused the parliamentary leadership of inability to stop the fratricidal war in the Central Asian republic and demanded on Wednesday [22 July] an urgent convocation of an extraordinary session of the parliament.

The parliamentarians said in their address to the president and parliament that growing armed clashes in the republic paralysed the legislative and executive authority. The new government of national reconciliation enjoys no popularity among the majority of people, while the parliamentary leadership limits itself to appeals and adresses to cease fire and delays the convocation of a session under the pretext of providing personal security to parliamentarians.

Situation in Kulyab Region Said Stabilizing

OW2407190592 Moscow INTERFAX in English 1625 GMT 24 Jul 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin and edited by Boris Grishchenko; from "Presidential Bulletin"—transmitted via KYODO]

[Text] The Tajik Vice-Premier and deputy-chairman of the Islamic Revival Party Dovlat Usmon has informed a press-conference in Dushanbe that practically no fire has been exchanged in the Kulyab and Kurgan-Tyubin regions since June 27. He said about 40,000 refugees from Dangara have returned to the Vakhsh region. The Uzbek President Islam Karimov has instructed the authorities of the Surkhandaria and Kashkadaria regions to return all the Uzbek refugees to Tajikistan and tell them "nothing threatens them in the republic".

Usmon also mentioned the border with Afghanistan is to be fortified by sending 1,500 newly drafted CIS troops to guard it.

Commentary Views Regional Military Strengths

LD2407042192 Dushanbe Radio Dushanbe Network in Tajik 0007 GMT 23 Jul 92

[Station commentary]

[Text] Dear listeners! Today we will discuss the military situation in the three Farsi-speaking countries: Iran, Afghanistan, and Tajikistan.

The Iranians under the monarchy possessed one the most powerful armed forces in Asia [words indistinct]. Following the victory of the Islamic revolution in Iran, the world powers who determine the [word indistinct] policy—Russia and America—became [word indistinct] and immediately started arming the [word indistinct] regime of Saddam Husayn against the [word indistinct]. Iran martyred 500,000 lives in this [Iran-Iraq] war and did not allow even one bit of their homeland to fall into enemy hands.

America and a number of European countries are currently of the opinion that Iran is gradually recovering from the heavy burden of the war and is once again reestablishing its previous potential. Iran is building its Armed Forces with military planes from Russia, including the MiG-29 and the SU-24 bomber; tanks, including the T-72; and surface-to-air missiles.

Russia has sold three [word indistinct] submarines to Iran. Iranian [word indistinct] are currently being trained in Latvia, and pilots are being trained in Russia. In 1992 Iran plans to purchase various kinds of arms from Russia to the tune of $1 billion. Even though the Americans are not happy with the Russians selling weapons under the current political and economic conditions, they have no other option for filling the treasury.

The Americans' fear, however, is based on the fact the Iran will become the second Islamic country, after Pakistan, to produce nuclear weapons. According to an American specialist, Iran should recover its previous military potential over the next five years.

The other Farsi-speaking country, Afghanistan, which has [words indistinct] from its soil was weak from a military standpoint. After the entry of the Russian Red Army [words indistinct]. The mujahidin attacked Russian planes with American Stingers [words indistinct]. After taking Bagram Airport under the leadership of Ahmad Shah Mas'ud, the mojahedin had their own planes.

According to [words indistinct] during their (?occupation) of this country the Russians spent more than (?7)

billion rubles and transferred other things there. Afghanistan is currently one of the most heavily armed countries. Due to differences among groups, there is no National Army nor any definite structure.

Russian Foreign Minister Kozyrev visited Kabul and held talks with Ahmad Shah Mas'ud on the [word indistinct] of the military hardware. That Farsi-speaking country, which [words indistinct] that Tajikistan, which formed the first atomic bomb from its own (?uranium).

Turkmenistan

Niyazov Receives Russian Government Delegation

LD2507162992 Moscow ITAR-TASS in English 2037 GMT 24 Jul 92

[Text] Ashgabat July 24 TURKMEN-PRESS-TASS—The issues of bilateral relations between the Russian Federation and Turkmenistan, their cooperation in political, economic and military fields, and in ensuring security of state borders, were discussed today in the course of the current visit of the Russian governmental delegation headed by Deputy Chairman of the Government, Aleksandr Shokhin. The delegation was received by President of Turkmenistan, Saparmurad Niyazov.

Both sides agreed that the Governments of Russia and Turkmenistan will conclude separate agreements on monetary-credit relations.

In the course of the talks the two sides prepared for signing a treaty on friendship and cooperation between the Russian Federation and Turkmenistan, a treaty on joint measures in connection with the creation of the Turkmen armed forces, a protocol on Turkmen border guard troops, an agreement on cooperation in diplomatic representation abroad, an agreement on regulating the right of succession with regard to the foreign state debt and assets of the former Soviet Union.

Talks End; Documents Signed

LD2407173992 Moscow ITAR-TASS in English 1656 GMT 24 Jul 92

[Text] Ashkabat July 24 TURKMENPRESS-TASS—President Saparmurat Niyazov of Turkmenistan said he saw no obstacles to deeper economic and political integration of his country and Russia. He was speaking during a meeting with visiting Russian Vice Premier Aleksandr Shokhin.

Turkmenistan by no means calls into question its 70-year-old history of relations with Russia within the Soviet Union, even though the Soviet centre permitted discrimination against former Soviet republics. Those deviations did not make Russia richer and caused it great suffering, President Niyazov stressed. It is much more sensible not to "hurl stones at the past" but concentrate on overcoming past errors and present difficulties in inter-state relations.

This approach favoured by President Niyazov was well illustrated by the talks between the government delegations from the two countries held last night and this morning and capped with the signing of 13 documents. Accord was reached on most problems under discussion and the desire was expressed to find ways of solving the rest as soon as possible.

Aleksandr Shokhin praised Turkmenistan's approach to the solution of all issues discussed during the talks. He said President Niyazov's statement that Russia had been and remained Turkmenistan's main partner was by no means mere political rhetoric but testified to sincerity in relations between the governments and peoples of the two countries and realistic assessment of the state and perspectives of the Russo-Turkmen relations.

President Niyazov on Relations With Turkey

TA2707113592 Ankara Turkiye Radyolari Network in Turkish 1000 GMT 27 Jul 92

[Text] Turkmen President Saparmurad Niyazov has said that his country expects Turkey to give help primarily with banking and with the transition to the free market economy. In a statement to ANATOLIA in Ashgabat, the capital of Turkmenistan, Niyazov said:

The promotion of bilateral trade with Turkey and increased mutual visits by businessmen will lead to beneficial results for both countries. We have problems, particularly in the field of banking. We will be happy if Turkey can help us on this issue, as well as with our transition to the free market economy. Two thousand students from our country will enroll in Turkish Universities. We are now busy selecting them.

Niyazov promised that his country will do its part to strengthen relations with Turkey. He concluded by noting that Turkey has an important position among the powerful countries, adding that his country hopes Turkey will further strengthen its position.

Leadership To Strengthen Military Discipline

PM2707074392 Moscow IZVESTIYA in Russian 23 Jul 92 Morning Edition p 2

[Vladimir Kuleshov report: "President Niyazov Warns Military"]

[Text] Ashgabat—Having decided to strengthen military discipline and law and order among the troops on Turkmen territory, the republic's president, S. Niyazov, stressed in his decree that servicemen who go absent without leave must come to their bases or the nearest military management organs within a month.

The latest session of the republic's cabinet of ministers stated with great concern that educational work among soldiers in troop units has been allowed to slide. Due to

commanders' negligent attitude toward their duties, the actions of their subordinates are sometimes not supervised.

"Discipline within the troops is low," B. Niyazov, the republic's deputy defense minister, confirmed. "Regrettably, the young schoolchildren of yesterday are, for the most part, unprepared for the vicissitudes of the changes that are taking place and take an extremely pathological view of the present processes arising from the breakup of the former unified country. Soldiers are deserting. Of course, I by no means think that punitive measures will settle all matters at once, but I do think that the current decision adopted by the republic's president is an essential measure."

It cannot be denied that the introduction of preventive measures, the organization of a disciplinary battalion on Turkmenistan's territory, and the fact that unit commanders are being vested with powers to autonomously institute disciplinary proceedings against their subordinates are making enlisted men and officers take a more rigorous view of their duties.

Armenia

Envoy Presents Russian Peace Proposals

LD2507222592 Moscow Radio Rossii Network in Russian 2000 GMT 25 Jul 92

[Text] On the morning of 25 July, an Azerbaijani SU-25 attack aircraft dropped approximately 10 bombs on residential quarters of the rayon centre of Martuni in the east of Nagorno-Karabakh. According to preliminary figures four residents were killed and several people received injuries.

The Azerbaijani Army is continuing to make intensive use of its air forces in order to compensate in some way at least for its failures in the north of the Nagorno-Karabakh Republic. Over the past 24 hours one of the Azerbaijani detachments tried to advance towards the dam of the Sarsangskaya hydroelectric plant. However, it received a powerful repulse and retreated, sustaining heavy losses. The Azerbaijani Army stepped up its activity near the southeast borders of Armenia as well. Shelling resumed of villages in Megrinskiy rayon, and furthermore, several shells fired from the Republic of Nakhichevan fell and exploded on the territory of Iran.

Meanwhile, Vladimir Kazimirov, Russian ambassador-at-large, presented the President of Armenia with Russia's proposals for a peaceful settlement of the Karabakh conflict. The president's press center refused to inform me of the specific contents of the proposals, but said that Kazimirov has already been in Baku and Nakhichevan and intends to leave for Stepanakert on 26 July.

And finally: by decree of the president, Feliks Mamikonyan, Armenian permanent representative in Russia, has been awarded the diplomatic rank of extraordinary and plenipotentiary ambassador. The same ranks have been awarded to the Armenian representatives in the United States and Great Britain.

President's Aide on Proposals

LD2707103392 Moscow ITAR-TASS in English 0958 GMT 27 Jul 92

[By ITAR-TASS correspondent Tigran Liloyan]

[Text] Yerevan July 27 TASS—Russia has tabled new proposals which it believes will help resolve the conflict between Armenia and Azerbaijan over Nagorno-Karabakh [NKR].

Chief Russian negotiator for the Minsk CSCE conference on a Karabakh settlement Vladimir Kazimirov submitted the scheme, devised by the Russian Foreign Ministry, to President Levon Ter-Petrosyan of Armenia on Saturday [25 July].

"In contrast to previous overtures, the proposals by the Russian Foreign Ministry highlight a desire and an attempt to develop a cease fire mechanism and achieve a political settlement in Nagorno- Karabakh," Petrosyan's press secretary Ruben Shugaryan commented on Monday.

At the Saturday talks, Levon Ter-Petrosyan told Kazimirov that priority at the Minsk conference should be given to developing a cease fire mechanism and establishing international control over the conflict zone, he said.

Russia's proposals envisage a cessation of all combat action by the combatants and a withdrawal of troops five kilometers away from the line of fire, he went on.

At the same time, Moscow's proposals contain a provision under which the troops can be withdrawn later in order to ensure self-defence. Yerevan believes that the limits for self-defence have not been specified clearly enough. Many of the proposals are too "declarative", he said.

Vladimir Kazimirov is currently in Stepanakert. Yerevan officials, however, do not have any information about his meetings with Karabakh leaders, Shugaryan said.

Defense Minister Urges Officers To Stay

LD2407230592 Moscow ITAR-TASS World Service in Russian 1925 GMT 24 Jul 92

[By ITAR-TASS correspondent Tigran Liloyan]

[Text] Yerevan, 24 July—Vazgen Sarkisyan, Armenian defense minister, made an appeal on the national television this evening to officers and warrant officers of the Russian Army who serve on the territory of the Republic. He urged them to stay in Armenia and guaranteed "an interesting service and well-being" to their families.

The document notes that within 7-8 months a flat will be provided to these servicemen and this flat will become their property after 3 years of service. Your wives and children will be able to work and be full members of our society, the minister stressed. Salaries will be established not lower than in the Russian Army and the provision of pensions will be in accordance with the law on military service, he assured.

We will be grateful to you for help in creating the armed forces of the Republic of Armenia, the appeal, which was read out on the Republic's television, says.

Official Hopeful for Solutions at Conference

LD2707111892 Moscow ITAR-TASS in English 0945 GMT 27 Jul 92

[By ITAR-TASS correspondent Tigran Liloyan]

[Text] Yerevan July 27 TASS—Armenia believes the CSCE Conference in Minsk will initiate the first stage of Karabakh settlement, according to spokesman of the Armenian president.

In Minsk Armenia will call for providing security for the Karabakh population, for a ceasefire under international control and for peace-keepers deployed along the border of Nagorno-Karabakh and Azerbaijan, Ruben Shugaryan stated in Yerevan on Monday [27 July].

The status of Nagorno-Karabakh is to be decided later as it is not that urgent as the problem of ceasefire, he added.

If any of the sides involved—Azerbaijan, Nagorno-Karabakh or Armenia—insists on determining the status first that will lead negotiations into a deadlock and no agreements will be reached, according to the spokesman.

The Armenian authorities have not yet decided whether to participate in the next round of the Rome meeting scheduled for the end of July, Shugaryan said, adding that the meeting which is to prepare the CSCE conference in Minsk is in a deadlock. He recalled that Armenia is against holding "press conferences" in order to work out preliminary conditions for the CSCE conference.

President Supports Continued Iranian Mediation

LD2407110192 Tehran IRNA in English 1630 GMT 23 Jul 92

[Text] Moscow, July 23, IRNA—Armenian President Levon Ter-Petrosyan in a meeting with Iran's Charge d'Affaires in Yerevan Ahmad Sobhani today called on Iran to continue its mediation efforts on Karabakh [NKR].

He appreciated Iran's neutral stance and peaceful measures in Karabakh. Stressing the need for an immediate cease fire in Karabakh, he said international organizations should take measures to this effect and restore security to the region.

Sobhani hoped that peace in Karabakh would pave the ground for expansion of Tehran-Yerevan relations.

Diplomats Become First Ambassadors for Country

LD2607133892 Moscow ITAR-TASS World Service in Russian 1724 GMT 25 Jul 92

[By ITAR-TASS correspondent Tigran Liloyan]

[Text] Yerevan, 25 July—Six Armenian diplomats have become the first bearers of the "national" diplomatic rank of ambassador extraordinary and plenipotentiary; the decree was signed by Armenian President Levon Ter-Petrosyan. Those receiving the Republic's supreme diplomatic rank are: Armenian Deputy Ministers of Foreign Affairs Arman Kirkosyan, Georgiy Kazinyan, and Arman Navasardyan; Feliks Mamikonyan, permanent representative of Armenia to the Russian Federation; Aleksandr Arzumanyan, permanent representative of Armenia to the United Nations and charge d'affaires of the republic to the United States; and Armen Sarkisyan, Armenian charge d'affaires to Great Britain.

This is the first award of the rank of ambassador, instituted by the parliament of Armenia two months ago. Previously the rank of USSR ambassador was and is possessed by over ten Armenian diplomats who have in various years represented the Soviet Union in various countries and international organizations.

Parliament Opposes Studying KGB Archives

LD2507162592 Moscow ITAR-TASS in English 2038 GMT 24 Jul 92

[By ITAR-TASS correspondent Tigran Liloyan]

[Text] Yerevan July 24 TASS—During the major part of today's extraordinary session of the Armenian parliament people's deputies debated the opposition's proposal: whether a multiparty commission should be set up to study the archives of the State Directorate of National Security (former KGB) of the republic ?

During the discussions opposition deputies demanded to investigate whether a number of the republic's official were KGB agents. According to them, the president of the republic and his advisers, all deputies of the Supreme Soviet, all functionaries of the Government, ministries, departments, leaders of political parties and heads of social and political organizations of the republic must go through the "purgatory". Kim Balayan, one of the authors of the proposal and chairman of the Parliamentary Legal Committee, emphasised that KGB agents, who occupy leading posts, can cause serious harm to the statehood of the independent Armenia and can have a negative effect on its policy formation.

The first deputy of the State Directorate of the republic's National Security, Mikael Gukasyan, told deputies of the parliament that today there are no KGB agents among members of the parliament and the Government. Calling the discussions in the Supreme Soviet senseless and wrong, he remarked that the criticism of people, who help State Security Directorate, can become an effective show, but it will do immense damage to Armenia as a state. Gukasyan told deputies that even if a commission to study the KGB archives is formed, it will never find out anything, because in conformation with the established procedure, the person appointed to a leading post is "automatically removed from the agent network and no data is left on him." he warned that together with his colleagues from the State Security Department he will do everything possible to protect their secret helpers without whom, according to him, no special service in the world can do anything.

As a result of roll-call vote the opposition proposal to create a commission to study the KGB archives failed to get the required number of votes.

Azerbaijan

Nakhichevan's Aliyev Briefed on Peace Proposal

NC2407210692 Baku Radio Baku Network in Azeri 1700 GMT 23 Jul 92

[Text] Gaydar Aliyev, chairman of the Nakhichevan Autonomous Republic [NAR] Supreme Assembly, on 23 July received Ambassador Vladimir Kazimirov, head of Russia's mediation group in Yukhary Karabakh [Nagorno-Karabakh]. Kazimirov briefed Aliyev on the latest Russian Government proposals on restoring peace in Yukhary Karabakh. He also noted that the Russian Government is informed on all the incidents which have taken place on the NAR-Armenian border. The proposals that will be drawn up will focus particularly on establishing peace and security on the NAR-Armenian border.

Aliyev briefed Kazimirov in detail on the situation in the border areas and the talks held between NAR and Armenian officials. He also noted that he welcomes the Russian Government's initiatives on finding a peaceful solution to the Yukhary Karabakh dispute.

Defense Ministry Update Through 24 Jul

NC2507181892 Baku Radio Baku Network in Azeri 1700 GMT 25 Jul 92

[Text] The Azerbaijani Defense Ministry's Analytical Information Center has made the following disclosure:

A number of news agencies have provided incorrect information to confuse people and create a feeling of affection for Russians. However, the situation in Azerbaijan's border areas is as follows:

Clashes continued in Agdere [Mardakertskiy] Rayon last night with the Armenians firing on our positions in (Medzin) and Mohratak from the hills around Kasapet.

The Azerbaijani Armed Forces currently control the Sarsangsk water reservoir and nearby hills. Unable to resist the onslaught, the enemy has withdrawn from Kasapet. Azerbaijani units effectively control residential areas in Agdere Rayon.

The town of Gyulably was hit with various types of fire from Karakend in Khodzhavendskiy Rayon at 2130 on 24 July. Agdam and towns adjacent to Yukhary Karabakh [Nagorno-Karabakh] were hit with artillery and Grad rockets from Khanabad and Askeran. One person was wounded. Tur was hit with artillery fire and machine guns from 1800 to 2000 on the same day. The Azerbaijani Air Force retaliated against this attack today, 25 July, destroying several enemy firing positions in Khodzhavendskiy and former Gadrutskiy Rayons.

Farakhli in Kazakhskiy Rayon, Alibeyli and Mundzhuglu in Tauzskiy Rayon, and Zangelanskiy Rayon's border towns were hit with automatic weapon and machine-gun fire last night. The enemy fire was returned.

Sadarak, in the Nakhichevan Autonomous Republic, was hit with automatic weapon and machine-gun fire periodically today.

Baku Radio Reports Situation, Fighting

NC2707060992 Baku Radio Baku Network in Azeri 1700 GMT 26 Jul 92

[Text] Following is the Azerbaijan Ministry of Defense Analytical Information Center's release:

The enemy attempted to break through Azerbaijan's defense lines in the direction of Agdamskiy Rayon after massing a large force of units and military hardware in the vicinity of Askeran and Khanabad last night, 25 July. Gyulably, Abdal, and (Khamus) were the Armenians' target. Our armed forces obstructed the enemy attack. The situation along the Agdamskiy Rayon front had stabilized by morning.

Clashes took place in Agdere Rayon today. The Azerbaijan Armed Forces maintained control of the Sarsangsk reservoir. They are continuously shelling the Armenian-held areas with artillery guns. Clashes are taking place for important positions.

The towns in Kazakhskiy, Tauzskiy, Kubatlinskiy, and Zangelanskiy Rayons, close to Armenia's border, were fired on last night. The enemy fire was returned.

We have received reports from the Nakhichevan Autonomous Republic that Sadarak and [placename indistinct] were fired on from Armenia last night. An explosion occurred in a military depot near Nakhichevan city at 2345 on 25 July. Initial reports said that a clash took place between unidentified persons and the guards. A section of the military depot was destroyed. The fire was extinguished; two soldiers and two local residents were injured. The incident is being investigated.

Armenian Decisions Considered 'Unacceptable'

LD2707155292 Moscow Mayak Radio Network in Russian 1310 GMT 27 Jul 92

[Live report from Baku by correspondent Islam Kuliyev]

[Excerpts] [passage omitted] It should not be forgotten that preparations for the harvest are being made against a background of war and aggression by Armenia. According to the latest reports, the Armenian expeditionary corps in occupied Nagorno-Karabakh has resumed the large-scale offensive it is mounting in the direction of Agderinskiy and Agdamskiy Rayons. The initiative in the fighting is switching back and forth. Both sides have suffered casualties.

In Azerbaijan the latest escalation of hostilities is linked to a special decision by the Supreme Soviet of the

Republic of Armenia. The Armenian parliament decided that—and I quote—the Republic of Armenia will continue to regard as unacceptable all enactments in which the Nagorno-Karabakh Republic is described as being part of Azerbaijan.

Thus, a step has been taken toward the recognition of a nonexistent entity, toward intensification of confrontation between the two peoples, toward justification of aggression, and toward occupation of part of Azerbaijan's territory by the Republic of Armenia.

In this connection the Azerbaijani parliament notes that this move by the parliament of the Republic of Armenia is a flagrant violation of the constitution of the Azerbaijan Republic, a violation of the constitutional enactment on the state independence of the Azerbaijan Republic, and a deliberate scorning of the generally recognized principles and norms of international law in the sphere of interstate relations. It regards the decision as political provocation aimed at frustrating the search for peace and accord in relations between the two neighboring states, Azerbaijan and Armenia. Azerbaijan's parliament also describes this act by the Supreme Soviet of the Republic of Armenia as a challenge to the world community and says this republic is ignoring the undertakings it has given in the context of the pan-European process.

Azerbaijan's parliament adopted a decision in which it describes the decision of the extraordinary session of the Supreme Soviet of the Republic of Armenia as an infringement of the state sovereignty and the state integrity of the Azerbaijan Republic, and as a hostile act directed against the national interests of the Azerbaijani people. It also notes that this decision is totally devoid of juridical justification.

'Easing of Tension' With Russia Claimed

OW2607163292 Moscow INTERFAX in English 1600 GMT 26 Jul 92

[Transmitted via KYODO]

[Text] The defence minister of Azerbaijan, Rakhim Gaziyev, says that there is an easing of tension and change for the better in the republic's relations with Russia. Speaking on national television, the minister said there was no reason for establishing tight border controls with Russia.

Gambarov on Possible Treaty With CIS

LD2407084892 Moscow ITAR-TASS in English 1452 GMT 23 Jul 92

[By AZERINFORM-TASS correspondent Khalil Imanov]

[Text] Baku July 23 TASS—"One of the forms of contacts with the Commonwealth countries may become a treaty between Azerbaijan and the Commonwealth of Independent States (CIS)," head of the parliament of the republic, Isa Kamberov said at a news conference in Baku today. The parliamentary speaker believes that this may happen in case the Azeri parliamentarians find the status of observers at Commonwealth summit meetings not effective enough to carry out the foreign policy of the republic within the space of the former Soviet Union. It should be noted that at the latest Commonwealth summit meeting Azerbaijan was warned that it should determine its attitude towards the CIS.

The meeting with Isa Kamberov was organised at the request of Azeri and foreign journalists. It was decided to hold such meetings on a regular basis.

Decree Issued on New Security Administration

OW2407173692 Moscow INTERFAX in English 1625 GMT 24 Jul 92

[By Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin; edited by Boris Grishchenko; from "Presidential Bulletin"—transmitted via KYODO]

[Text] As has already been reported, President Elchibey has issued a decree setting up a body called the Special Administration, which is to be put under direct presidential control. Commenting on the decree in an interview with IF [INTERFAX], the President's legal adviser, Ikhtiyar Shirinov, said, "At the moment a law is being prepared on the protection of the national interests and security of Azerbaijan. The document will lay down the functions of all security agencies in the republic forming a single system." The Special Administration, is, according to Shirinov, an entirely new component in the system. "Regulations on this establishment, on its organization and divisions will be drafted and submitted to the President for approval within the next few days," the adviser said. Among the administration's principal tasks he listed prevention of violations of discipline in the armed forces, desertion from them, and high treason. It will also be charged with counterintelligence in the Azeri armed forces.

"It is precisely in order to ensure the objectivity of incoming information about the state of the armed forces that the Special Administration has been put under direct presidential control," Shirinov said. He emphasized that the administration's competence would be strictly confined to the maintenance of the armed forces' combat efficiency, and that it would by no means have any of the functions the Ministry of National Security is charged with.

Georgia

Shevardnadze Begins Visit to Western Region

Compromise Sought

MK2407125592 Moscow NEZAVISIMAYA GAZETA in Russian 24 Jul 92 p 3

[Nodar Broladze report: "Shevardnadze Relies on God But Sets Out Himself for Western Georgia on Peacemaking Mission"]

[Excerpt] After careful preparation, Eduard Shevardnadze has taken one more step—after visiting Tskhinvali—toward the full normalization of the situation in Georgia: On 23 July he set out for western Georgia together with a group of State Council members. Appearing on national television the day before, Eduard Shevardnadze regretted that he had not gone there before: "Then many unpleasantnesses could have been avoided." He intends that there, on the spot, the members of the State Council will be able to adopt important decisions, and he does not believe that even one person will be found in Megrelia who will try to raise his hand against representatives of the authorities who have arrived there on an important peace mission. "God has repeatedly saved Georgia during the greatest crises in its historical past, and I am convinced that He will not forsake us this time either," Shevardnadze said. The State Council chairman believes that defining the status of the illegal armed formations operating in a number of parts of western Georgia could be one of the chief elements in reaching a compromise. "Criminals make up a certain proportion of them, but I know that up to 70-80 percent are people who have committed no crimes, and we must find an opportunity to return them to the people's service," Shevardnadze declared. "In addition, I believe that it is by no means mandatory for official formations to be there. The problem of guarding strategic installations probably remains, but as regards the population, the militia must protect it." [passage omitted]

Gamsakhurdia Supporters Hurl Stones

OW2407175992 Moscow INTERFAX in English 1625 GMT 24 Jul 92

[Prepared by Andrey Pershin, Andrey Petrovskiy, and Vladimir Shishlin and edited by Boris Grishchenko; from "Presidential Bulletin"—transmitted via KYODO]

[Text] Supporters of the former Georgian President Zviad Gamsakhurdia met a governmental delegation under Eduard Shevardnadze, chairman of the State Council, that is making a tour of western Georgia, with a hail of stones in the town of Senaki, known as a stronghold of Zviad forces.

The State Council press-center reports that at a meeting with "the public" Shevardnadze called on them to go to the polls at the parliamentary election set for next fall. However, the crowd at the building would not listen to exhortation.

Roughly 500 people chanted: "Zviad, Zviad!" The atmosphere grew tense when a local actor, Aleko Chanturia, died on the square of heart attack. However, Shevardnadze and his companions attempted to begin a dialogue with The people but had to retire when the crowd began to hurl stones and curses.

None of the delegation members were hurt.

Friday [24 July] Shevardnadze plans to meet with the public of the cities of Tsalendzhikh and Zugdidi where the situation is still tenser. Nevertheless, the Georgian leader categorically rejected the recommendation to terminate the trip.

Shevardnadze received a better reception at the village of Arapsha, the district center of Martmili. He assured the crowd that their requests would certainly be heeded in decisions made after the trip.

Returns, Discusses Situation

OW2507162092 Moscow INTERFAX in English 1525 GMT 25 Jul 92

[Transmitted via KYODO]

[Text] The Chairman of Georgia's State Council Eduard Shevardnadze has said that "the present political system in the republic is amorphous and the government has no control over the population". He was speaking at Saturday's [25 July] meeting of the State Council sharing impressions of his trip to Western Georgia. He rejected the use of force for resolving the crisis in that region fearing a return to dictatorship. What's left, he said, is dialogue and compromise: "In spite of crude insults by certain groups supporting the ex-President Gamsakhurdia, mainly women, such dialogues were held throughout the trip".

"The most difficult was the meeting in Tsalendjikha", said Shevardnadze, "where I found myself for the first time in my life in front of an unbalanced and uncontrolled crowd". He expressed regret that he was unable to speak before the people in Tsalendjikha and Zugdidi where supporters of the ex-president broke through the police chain and into the building where the meeting was planned to prevent it from being held". The situation might have resulted in casualties, so no dialogue was possible.

The chairman of the State Council linked the poor welcome in Western Georgia and "the unconstitutional decision by Abkhaz parliament". The Supreme Soviet of that autonomy within Georgia proclaimed its sovereignty and restored the 1925 Abkhaz constitution. [Moscow Radio in Russian at 1700 GMT on 25 July in a similar report adds: "He described the results of his tour of Western Georgia, stating that in spite of the fact that his meetings with the population took place in a mixed and tense atmosphere, on the whole he is pleased with the results of the tour."]

Abkhaz Parliament Installs 1925 Constitution

Resolution Proclaimed Illegal

OW2407210692 Moscow INTERFAX in English 1832 GMT 24 Jul 92

[Transmitted via KYODO]

[Text] A proclamation made by the Parliament of Abkhazia Thursday [23 July] announcing the republic's sovereignty is forcing the Georgian-speaking population to set up autonomous parallel structures of power in subordination to the Georgian State Council. This was announced Friday by Deputy Chairman of the Abkhaz Parliament Tamaz Nadareishvili, who spoke on behalf of the Georgian faction Democratic Abkhazia.

On Thursday the Abkhazian Parliament put the 1925 constitution into effect. This document states the republic is "a sovereign state, exercizing state power over its territory independently from any other powers." At a press conference on the same day in Sukhumi, Chairman of the Abkhazian Parliament Vladislav Ardzinba announced that the main purpose of the resolution passed by Parliament was "the republic's aspiration toward full sovereignty, granting it preeminent rights." According to Ardzinba, the resolution "provides an approach to negotiations between Abkhazia and Georgia on equal rights." However, he stressed that the issue of Abkhazia's secession from Georgia has not yet been raised.

The Democratic Abkhazia faction announced that Parliament's decision to put the 1925 constitution into effect is not valid, since 30 elected deputies of Georgia, "representing the majority of the people in Abkhazia," did not take part in the vote. Approximately 46% of Abkhazia's population is Georgian, while about 20% is Abkhazian.

Shevardnadze Comments

LD2507211292 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 1700 GMT 25 Jul 92

[From the "Novosti" newscast]

[Text] One of the questions discussed at the State Council of Georgia today concerns the legality of the decision by the session of the Abkhaz Republic Supreme Soviet of 23 July this year which annulled the constitution of 1978 and restored the draft fundamental law of 1925 under which Abkhazia is declared a sovereign and independent republic. The State Council of Georgia negatively assessed that act. [Moscow INTERFAX in English at 1150 GMT on 26 July in a similar report added: "Participants in debates said that the 1925 constitution was not legally adopted. It existed only as a draft which was to be brought in conformity with the Georgian constitution in force at that time."]

[Begin Shevardnadze recording] It is an unfortunate act. I have to say that the Abkhaz leadership has committed a gross error. The most important thing is that it was completely unexpected for us, without consultation, and the main thing—without taking into consideration the opinion of the majority of the population of Abkhazia, the opinion of the population of that state to which Abkhazia belongs. You know, yesterday I was forced to break off a very important trip, an important visit to western Georgia and to return since I'm afraid that the consequences may be serious. We will seek a way out of this almost deadlock situation. [end recording]

Today the State Council of Georgia also declared the constitution on sovereignty, which was adopted by the Abkhaz parliamentarians, null and void and having no legal force.

Threatens Resignation

LD2707081792 Moscow Teleradiokompaniya Ostankino Television First Program Network in Russian 0500 GMT 27 Jul 92

[From the "Novosti" program]

[Text] Eduard Shevardnadze has said that he will resign if the tension in western Georgia cannot be peacefully defused. If you want bloodshed you can count me out, Shevardnadze told a meeting of the State Council. We are now facing the possible disintegration of Georgia, and if the people in western Georgia do not calm down, he said, then we will have a bigger problem in Abkhazia than we did in Ossetia.

Abkhaz Response Expected

LD2707082192 Moscow ITAR-TASS in English 0616 GMT 27 Jul 92

[By ITAR-TASS]

[Text] Moscow July 27 TASS—Leaders of Abkhazia (an autonomous republic within Georgia) are expected to give their response to Georgia's negative reaction to a decision of the Abkhaz Parliament to restore the 1925 Constitution, which determines Abkazia's status as that of an independent republic, TASS learned by telephone on Monday [27 July] from sources close to Abkhazia's leadership.

On July 23, a session of the Abkhaz parliament repealed the 1978 Constitution and restored the 1925 Constitution, which was assessed by the Georgian State Council "as invalid and illegal" act.

The chairman of the Georgian State Council Eduard Shevardnadze in an interview with the "Ostankino" TV Company said that "the Abkhaz leadership made a serious blunder" and noted that the decision was adopted "without any consultations and, what is most important, without considering the opinion of a majority of the population of the state, to which Abkhazia belongs".

The consequences of the act can be "extremely hard", Shevardnadze said and pointed out that "we should search for ways out the nearly deadlock situation".

A source which did not identify itself, said that currently the situation in Abkhazia is calm. The source refrained from any further comment pending an official response of the Abkhaz leaders to the statement of the Georgian

State Council. However, he expressed hope for a constructive dialogue between the sides.

S. Ossetia Situation Reportedly Stabilizing

LD2607082692 Moscow ITAR-TASS in English 0808 GMT 26 Jul 92

[By ITAR-TASS correspondent Vladimir Shanayev]

[Text] Vladikavkaz July 26 TASS—The situation is stabilising in South Ossetia. No shooting or armed clashes were registered along the 15-kilometer corridor separating the warring sides last night.

The republic's administrative centre, Tskhinvali, is still living under a curfew imposed several days ago to combat crime and disarm illegal armed groups.

Russian engineering troops continue to demine the area but they are still working without a map of the mine fields.

Refugees are returning to the region from North Ossetia. About 500 people are arriving in the region daily, the South Ossetian Council of Ministers said.

Further on Situation

LD2707104292 Moscow ITAR-TASS in English 0828 GMT 27 Jul 92

[By ITAR-TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz July 27 TASS—It was quiet in South Ossetia over the last twenty-four hours, including a 15-kilometer long land corridor dividing Ossetian and Georgian armed formations.

Guard posts reported no shooting and armed clashes. According to the South Ossetian Interior Minister Vladimir Kochiyev, the mission to disengage the warring sides in the area of the city of Tskhinvali brought about positive results.

The main result was a cease-fire and the return of refugees to their native places.

According to preliminary estimates, over 6,000 people have already arrived at South Ossetian settlements, which are under control by units of the peace-keeping force.

Refugees' buses are guarded by volunteers and Ossetian police, since criminal gangs, who are seeking to build up tension in the region, are hiding in nearby forests. The population is also in no hurry to give up weapons.

However, Kochiyev said that life in the region is coming back to normal.

Construction teams in Tskhinvali are restoring houses, and other vital facilities. Electricity, water and gas supply as well as telephone communications are being resumed.

Residents of nearby Georgian and Ossetian settlements are harvesting in the fields and orchards.

Estonia

Further on Attacks of Russian Soldiers

OW2407134192 Moscow BALTFAX in English 1254 GMT 24 Jul 92

[Transmitted via KYODO]

[Text] At a press conference Thursday [23 July] on the results of the Russian-Estonian talks, Vasiliy Svirin, who is heading the Russian delegation, said that "recent actions perpetrated against Russian servicemen in Estonia hamper the talks". In his words, the Russian delegates made it clear to their Estonian opposite numbers that "the Russian public is concerned with those incidents".

In June-July, members of the Estonian militarized organization "Kaitseliit" ("Defense Union"), who declared themselves "followers of the cause pursued by the "Metsa Vennad" ("Forest Fraternity"), perpetrated a number of armed attacks at Russian Army personnel and military installations stationed on the territory of the republic. Following the incident when Kaitseliit commandoes opened fire at three Russian Army trucks earlier this month, the republic's government made a public statement to the Estonian people disparaging those actions.

"We have received the Estonian government's appeal to the nation with a feeling of satisfaction. Our delegation has never identified those provocations with the policy pursued by the Estonian government," Vasiliy Svirin said.

The head of the Estonian delegation at the talks, Uno Veering, who was also taking part in the press conference, added that politicians and journalists need to abstain from passing precipitous judgements on the account of one conflict or another".

Answering the journalists' questions in regard to the statements approved by the Russian parliament of July 17, Mr. Svirin noted that the "the statement "Re Human Rights in Estonia" [as received] is not meant to intimidate anyone but spells warning of how serious the consequences of such incidents could be should Estonia go ahead with the policy of discrimination with respect to the republic's non-indigenous population". The Russian diplomat also added that "Russia intends to protect its compatriots by all, I emphasize, political methods available".

Mr. Svirin expressed a conviction that Estonia and Russia are equally interested in maintaining friendly, rather than hostile relations. "Our objective is a fair dialogue," he said, characterizing the principles the Russian delegation is adhering to at the talks.

The fifth round of talks between Russia and Estonia ended on July 23. The sides have not initialed a single agreement, while the Russian delegation presented a timetable of the Russian troops withdrawal from the territory of Estonia in 1992.

Official on Resolving Russian Border Problem

OW2607160392 Moscow BALTFAX in English 1548 GMT 26 Jul 92

[Transmitted via KYODO]

[Text] Time alone is needed to resolve the problem of borders, said Trivimi Velliste, Estonia's deputy foreign minister, addressing Estonian diplomats and foreign ministry leaders in Tallinn on Saturday [25 July]. Estonia views its borders in the framework of the peace treaty signed in Tartu in 1920, and demands that Russia place part of Pskov and Leningrad Districts with the cities of Izborsk, Pechora and Ivan-gorod under Estonia's jurisdiction.

T. Velliste leads a group of experts at the talks on border problems with Russia. He believes that, in view of todays' political situation within Russia, Moscow decided to refrain from discussing border issues with Estonia now.

Two More Presidential Nominations Registered

OW2507165092 Moscow BALTFAX in English 1534 GMT 25 Jul 92

[Transmitted via KYODO]

[Text] On Thursday [23 July] the Republican electoral commission of Estonia registered another two electoral alliances. The Estonian Democratic Union and five other public organizations (The Estonian Green Movement", "The Green Party" and three more "Green" organizations) united under the name of "the Democrats".

Earlier, four electoral blocs - "Isamaa" ("Homeland"), "Kindel Kodu" ("Safe House"), "The Independent Royalists" and "The Moderate" - were registered.

Elections to the State Assembly and presidential election will be held on September 20.

Government To Normalize Banking, Finances

LD2407153592 Tallinn Radio Tallinn Network in Estonian 1700 GMT 23 Jul 92

[Excerpts] The Estonian Government adopted a series of measures at a session this evening to normalize the financial and economic situation in Estonia, the BALTIC NEWS SERVICE was told by government press spokesman Neeme Brus.

The balancing of the Estonian state budget for the second half of 1992 was discussed. Very radical measures have been planned. According to Economics Minister Olari Taal, Estonian enterprises have over $65 million in their accounts, despite the Estonian currency law. The government made it compulsory for state-owned enterprises to convert their foreign currency into Estonian kroons. [passage omitted]

The government acknowledged that currency circulation problems in Estonia are due to the debts enterprises owe each other. It found that the banking system works normally.

Investment Bank To Credit New Businesses

LD2407173892 Tallinn Radio Tallinn Network in Estonian 1200 GMT 24 Jul 92

[Text] A meeting of the board of the Estonian Investment Bank elected Vahur Kraft, vice president of the Estonian Bank, as chairman of the board and Harmo Vark as president. The Investment Bank will begin its economic activity once it issues the first loan. This is what President Harmo Vark said to ETA. It is likely to be in September or October of this year. Currently, potential projects which require credit are invited. The main aim of the Investment Bank will be to credit new businesses and the private sector. Preference will be given to firms which aim to produce or export something. Service areas, hotels, and so on could also be considered.

The founder of the Estonian Investment Bank is the Estonian Bank. In the near future, some international financial institution is expected to become a second shareholder. For the time being, the Estonian Investment Bank will be located in the building of the Estonian Bank.

Cost of Entry Visas 'Considerably' Reduced

PM2407131792 Moscow IZVESTIYA in Russian 21 Jul 92 Moscow Evening Edition p 1

[INTERFAX report: "Cost of Visas for Estonia Reduced"]

[Text] The cost of entry visas for Estonia has been considerably reduced as of 20 July.

The cost of visas for citizens of states in the ruble [R] zone will be considerably less than for citizens of other states: A single-entry visa for a private individual will cost R250 or 25 Estonian kroons. A multiple-entry visa valid for a year will cost R1,000 (100 kroons) and a transit visa —R100 (10 kroons).

For citizens of other states the rates are R1,200, R3,600, and R600 respectively.

Diplomatic passport holders are exempted from paying for a visa.

Latvia

Godmanis Describes 22 Jul Talks in Moscow

LD2407093492 Riga Radio Riga Network in Latvian 0400 GMT 23 Jul 92

[Statement by Latvian Prime Minister Ivars Godmanis "after his return from talks in Moscow yesterday between leaders and representatives of the Latvian and Russian governments"—recorded]

[Text] In Moscow we signed one document with Mr. Gaydar on the Latvian ruble as the only legal means of payment in Latvia. The document deals specifically—very specifically, in separate articles—with the system of settling accounts between Russia and Latvia, how this will be done, and what obligations the two sides have.

I think this is the most important thing, so I think the aim of the visit has been achieved, because we agreed that the introduction of the Latvian ruble will not hamper our continuing trade links and settling of accounts with Russia. Settling of accounts is very essential. Of course, the new system already provides for the use of Latvian rubles in Latvia and Russian rubles in Russia. An exchange rate will come into being for these two currencies, and this will be, in practice, a market exchange rate, which will be regularly revised, proceeding from the market exchange rate. That is one document we signed.

After that we also discussed other questions. The heads of the delegations took part, as did Mr. Dinevics, minister of state and head of the interstate delegation, and Mr. Zotov for the Russian Government. The Russian Government was widely represented—for instance, their side contained the economics minister and defense ministry specialists.

Specifically, the following questions were discussed: a troop withdrawal, with specific dates; the procedures for this process and the various stages—that is, first from Riga, then from Latvia. The Russian side was also interested in the installations at Skrunda. This is an issue which needs to be discussed separately.

We also clarified a number of points of view of the heads of governments, and explained to each other why we think that these dates should be speeded up. Gaydar also agreed to that.

Then we talked about such matters as property. We think there is not a lot to discuss on the property issue, although Russia considers this to be an open question. We basically consider that everything in Latvia is the property of Latvia, (?and Russia thinks the same about Russia). There may be some difference in the fact that our property here is, as it were, concentrated in one area, whereas our potential property in Russia is dispersed—it is either in the army, in space, or wherever. Here we will probably adhere to our position.

We also discussed army matters. We talked about (?strategic) army property. We consider that all the immovable property here, especially that which was built before 1940, is unquestionably Latvian property, although the property developed after that needs further discussion. However, I think our delegations will solve this question by discussing specific matters.

We then discussed energy resources and supplies to Latvia. Of course, everything will be based on world prices. However, it is important that we do not discontinue trade itself. The agreement on settling accounts will allow us to continue trading without interruption. Russia

is also....[changes thought] We asked about energy resources, especially about gas, fuel oil, and other questions which directly affect us. We reached a relatively normal agreement to put two questions together: Latvian ships, that is four tankers, will be able to deliver fuel to northern territories, which are in Russia, by sailing through the Arctic Ocean, with all payments made, of course; and this question is linked with the supply of corresponding energy resources.

To sum up, I think that the main positive result of the talks is—obviously this is my personal opinion—that the progress of the monetary reform, which is taking place in three phases, is right.

Further on Talks

LD2707043192 Riga Radio Riga Network in Latvian 1731 GMT 24 Jul 92

[Text] Ivars Godmanis, chairman of the Latvian Council of Ministers, denies that in talks with acting Russian Premier Yegor Gaydar he approved the preservation of strategic facilities of the Russian troops on Latvian territory after the troops were withdrawn. At a news conference today he announced that there had only been talks about the procedures according to which the Russian troops are to be withdrawn.

There were no differences of opinion between the heads of the governments of both states on the fact that the Russian troops and all their facilities are to be completely withdrawn from Latvian territory. In the course of the talks Yegor Gaydar agreed that 1999, the final date for the withdrawal of troops mentioned earlier by Russia, was excessively late and had to be brought forward. Lativa's proposal—for troops to be withdrawn from Riga this year and from the rest of Latvia by the middle or end of next year, and for the Skrunda radar to be withdrawn last—was discussed at the talks. Thanks to the efforts of the Latvian delegation, Russia will no longer regard Liepaja harbor and the technical reconnaissance center at Ventspils as being vitally strategic facilities.

Miervaldis Ramans, counselor to the chairman of the Council of Ministers on economic questions, called on journalists not to use the description of the withdrawal of the army any more but to use the description of property handed over to army administration or use. Miervaldis Ramans announced that in the talks with the delegation of Russian experts on economic questions, both sides concluded that there was no immovable Russian Army property at all on Latvian territory.

Ivars Godmanis confirmed that Latvia did not recognize the commercial structures formed by the Russian Army and will, through judicial means or, if necessary, even by resolution of the Supreme Council, alienate their property. The Russian side agreed with this position.

Godmanis Dismisses Resignation Rumors

LD2607045192 Riga Radio Riga Network in Russian 2000 GMT 25 Jul 92

[Text] Speaking today at a meeting of the Dome of the Latvian People's Front [NFL], Council of Ministers Chairman Ivars Godmanis firmly stated that the Latvian Government has no intention of resigning. He made this statement in response to a draft decision of the NFL Dome which put the idea of the government's resignation before the Supreme Council. The prime minister spoke at the meeting of the Dome with a list of acute economic problems, admitting to the extraordinary state of affairs that have evolved in Latvian agriculture because of the drought.

The diesel fuel for spring fieldwork which the government purchased in the West with such difficulty has been virtually wasted. The harvest of spring crops will be so low that the farmers will not be able to pay back on time, the credits which have been granted for fuel purchases. The repayment time scale will be extended. One should also take care of sowing winter crops on time, or Latvia could experience famine next year.

The prime minister also revealed that an agricultural fund is being set up to mostly take care of fixed payments for the import of gasoline, alcohol, cigarettes, and other goods. It will also be used to cover farmers' losses resulting from the drought. According to the Ministry of Agriculture, these losses total 7 billion rubles [R]. The government plans to buy meat and butter, for which there is no demand at this time and which are being stored in the refrigerators of processing combines for state reserves. It also plans to purchase grain from both the West and the East. A kg of grain costs approximately R18.20, so that means bread prices (?will remain) high.

It is possible that coupons will be issued to pensioners who are not working to enable them to buy bread at favorable prices. Those with jobs will either have to tighten their belts or make sure they increase their incomes by themselves.

The demands that the IMF has put to Latvia are extremely tough but we are forced to accept them, Ivars Godmanis said, since this is the only way out of the crisis for the Latvian economy and to begin its recovery.

Godmanis Discusses Economy With Local Leaders

LD2507201192 Riga Radio Riga International in Latvian 1730 GMT 25 Jul 92

[Text] A meeting between Latvian Prime Minister Ivars Godmanis and the leaders of Latvian local authorities ended without any concrete decisions being reached. At the present time, the prices of energy resources and foodstuffs are steadily increasing, the prime minister said, I see no possibility to raise the (?rent). More than (?50,000) tonnes of diesel oil and a considerable quantity of crude oil has been already purchased, Latvian Foreign

Trade Minister Edgars Zausajevs said. Lithuanian partners have informed the Latvian government about the new prices of oil products and petroleum prices will vary from 25,000 to 29,000 rubles [R] per tonne and diesel oil R16,000 per tonne but crude oil will cost R(?70,000) per tonne.

The Latvian government's financial problems have not yet been settled, while the interest of the credit extended by the Bank of Latvia for the purchase of energy resources is constantly growing. Godmanis expressed his concern about the catastrophic situation with the harvest of (?this fall), saying that the loss is caused particularly by the lingering drought which constitutes at least R7 billion.

The situation with coal supplies is no better. Latvia's debts for coal deliveries have reached several million rubles. The prices of coal are still soaring, as is the Latvian debt. The problems of mutual accounts between Latvia and the CIS are not settled. In the very near future many Latvian-based enterprises will have to cut the volume of production by (?this fall) and probably will have to dismiss a considerable number of employees, initially engineers and administrative workers.

The debt of Latvian enterprises is effectively twice as great as the sums Latvian firms owe to their Russian partners. [words indistinct] of the Russian debt, Latvia's enterprises demand payment in advance, according to the daily DIENA.

Despite these attempts to improve the situation, the debts of Russian (?base) enterprises tend to increase. The situation is the most complicated in those branches of Latvian industry having to purchase raw materials from the former Soviet countries, such as mechanical engineering, chemical industry, radio engineering, and others.

Slightly better is the situation in timber processing and paper manufacturing industry as they are not so acutely dependent on the supplies of imported raw materials. The main hindrance in (?the operation) of these industries was the aggravating mutual account system (?with) Russia. Light industries are focusing their attention on the purchase of raw materials with finance extended by the Bank of Bavaria. The financial decision concerning this loan will be taken by the Latvian government. Unless it's positive the light industries may suspend its operation by the (?fall). The managements of several enterprises have expressed their alarm about the existing situation - for example the deputy director of the Riga factory Alfa said that presently only one tenth of the workers was being employed - the others had been given a compulsory vacation, receiving a (?medium) wage.

Lithuania

Landsbergis on Eastern Policy, Russian Troops

OW2507163092 Moscow BALTFAX in English 1534 GMT 25 Jul 92

[Transmitted via KYODO]

[Text] Head of the Lithuanian parliament Vytautas Landsbergis told a news conference in Vilnius Friday [24 July] that in the near future the Lithuanian side expects "Russia to clarify its position in relation to the withdrawal of its troops from Lithuania". He said that "Russia is changing, and it will become clear soon what kind of relations it wants to establish with Lithuania and how it is going to build them". The Lithuanian leader noted that Russia also has "a lot of internal problems".

Commenting on the eastern policy of Lithuania (which, in the opinion of the new Lithuanian prime minister Aleksandras Abisala, needs constructive changes), Landsbergis said that it includes not only Russia, but also other republics of the former Soviet Union. "Japan and China are also situated in the East", Landsbergis added.

He also noted that a Lithuanian-Kazakh trade agreement is now under preparation.

Updates Current Situation

LD2407194192 Vilnius Radio Vilnius Network in Lithuanian 1300 GMT 24 Jul 92

[Address by Vytautas Landsbergis, chairman of the Lithuanian Supreme Council, to opening of Supreme Council session in Vilnius on 24 July—recorded]

[Excerpts] I think everyone is satisfied that Lithuania once again has an approved government with all authorizations led by the new prime minister who has a new vice prime minister. In the present situation a certain renewal may be useful. We have already become aware of the need for improved contacts with industiral circles and for all-around contacts in solving through joint efforts those economic problems that are created for us, due to objective reasons, such as Russia's crisis and Russia's actions, in the area of Lithuania's finances, accounting, and economic relations. It is also essential to solve domestic problems in Lithuania. [passage omitted]

One has to also pay attention to our most important problems of international politics, including the withdrawal of foreign troops. The Helsinki meeting made this issue more urgent politically and everyone is waiting to see if there will be practical results.

Indeed, there is a greater activity in the meetings of the delegations. We note that Russian delegations are working in Latvia, Estonia, and Lithuania. [passage omitted]

There is talk about the bases or some [words indistinct] which are important to Russia so that they remain in Latvia for a prolonged period of time. They promise to

withdraw one-fourth of the Army from Estonia, although Estonia's demand is the same as Lithuania's—the withdrawal of all troops this year. [passage omitted]

However, in the talks with Lithuania, Russia so far has not made any proposal, except a statement which provoked the interest of foreign journalists about the middle of 1993. However, the Russian delegation which stays and works in Vilnius these days refuses to comment on that statement and, on the whole, refuses to talk about the dates and stages of Army withdrawal. [passage omitted]

We know that the Russian foreign minister wishes to meet at the end of this month with the foreign ministers of the three Baltic states. Maybe we will then have some more concrete proposals. Any way, this summer will bring to light Russia's true intentions about troop withdrawal from Lithuania. [passage omitted]

The construction of border posts has been noticed at the Lithuanian border, but not from the side of Lithuania. This is being done without information or contacts with our border troops. [passage omitted]

These problems are important because our security and the consolidation of statehood depend on their progress. [passage omitted]

We are going to continue our efforts to regulate relations with Russia and for this purpose, too, it is very important to stabilize Lithuania's political situation. We succeeded in doing this a few days ago.

Abisala Discusses Legislation, New Currency

LD2507100492 Vilnius Radio Vilnius Network in Lithuanian 1800 GMT 24 Jul 92

[Text] As far as ideas and association with people are concerned, the new government should be of a centrist nature declared Prime Minister Aleksandras Abisala at today's first, official news conference.

Meanwhile, from an economic perspective, the new [word indistinct] will carry out a rightist policy, in his opinion. In categorizing himself against the terms rightist, centrist, or leftist, Aleksandras Abisala placed himself among those on the extreme right.

The prime minister has resigned from membership in the Sajudis Seimas Council, of which he had been a member since the autumn of 1982. This does not mean that I am leaving Sajudis as a member, noted Aleksandras Abisala.

He also stated that he does not intend to participate in the future Seimas elections, and it was for this reason that he has made the effort to come forth to lead the government.

The view, taken by members of the Cabinet of Ministers, regarding the Bank of Lithuania administration, remarked Aleksandras Abisalas, is united—it must be changed.

In discussing the litas currency, or specifically its quality, the prime minister noted that he discerned a double problem: First, [word indistinct] the litas quality, as it exists, and second, the quality of the litas stipulated in the contract. If their quality is commensurate with the contract stipulations, noted Abisala, complaints may only be directed to the individuals who signed the contract.

The government will present its conclusions regarding the quality of Litas before next Thursday, 30 July, when the bank administration question will be deliberated in the parliament.

Aleksandras Abisala does not intend to bring about principal changes in the governmental structure prior to the elections, however, he may present a clear draft of the new government structure before Seimas.

Commenting upon the two-sided assessments accorded in the parliament to his intentions to implement a purposeful Eastern policy, the prime minister observed that he had not just relations with Russia in mind, but primarily with other eastern states. [passage indistinct]

Aleksandras Abisala would like to have the Supreme Council adopt a bankruptcy, state [?property], and antimonopoly law, as well as a criminal and also a criminal process code, soon.

Democratic Labor Party on New Government

LD2607044192 Vilnius Radio Vilnius International Service in Lithuanian 2100 GMT 25 Jul 92

[Text] The new government is better than the previous one, says Algirdas Brazauskas, member of the Lithuanian parliament and leader of the Lithuanian Democratic Labor Party [LSPL].

In an interview with the daily TIESA, Algirdas Brazauskas positively evaluates the appointment of Bronislovas Lubys to the post of deputy prime minister, stressing that people working in production should stand side by side with those without practical experience. Bronislovas Lubys headed the Jonava Azotas state enterprise before his appointment as deputy prime minister.

Brazauskas described new Minister of Communications Gintautas Zintelis as a good expert, too. He positively assessed the abilities of new Minister Without Portfolio Stasys Kropas to cope with local government affairs.

Speaking about the upcoming elections to the Lithuanian Seimas, Algirdas Brazauskas said there would be more Lithuanian Democratic Labor Party representatives in the new Seimas than in the present Supreme Council.

Official Concerned Over Three Appointments

OW2507170192 Moscow BALTFAX in English 1521 GMT 25 Jul 92

[Transmitted via KYODO]

[Text] The Lithuanian state controller Kazimeras Uoka expressed his concern over the appointment of three ministers from the former Lithuanian government.

In a statement published in the newspaper "LIETUVOS AIDAS" on Saturday [25 July] Uoka reports that he has repeatedly informed in written and oral form the leadership of the Supreme Soviet and the Prime Minister on private responsibility of "the ministers of energy, home guard, and public health for the situation in these spheres of life". Uoka declares that "he has fulfilled his duty and can not take the responsibility for the consequences".

Leonas Asmanta, Audrus Butkevicius, and Juozas Oleka have been again appointed Ministers of Energy, Home Guard, and Public Health.

Statistics Department Notes Wages, Prices

LD2607173792 Vilnius Radio Vilnius in English 2300 GMT 25 Jul 92

[Text] Wages and salaries is at present a problem of universal concern. The Lithuanian Statistics Department is doing research into the changes of the salaries the employees of state offices and enterprises receive.

In June, the average salary of these employees was 5,768 rubles, 16 percent higher than the average salary in May. A considerable growth was observed in the wages of people engaged in the production of material goods. On the recommendation of the government, these wages were increased by 25 percent, the average monthly payments being 6,249 rubles. The salaries of the employees in (?budget) offices and institutions were not increased at all in June, the average salary being 4,896 rubles, that was four percent more than in May. The sums are quite large, but we must bear in mind that there is a [word indistinct], for example income tax or the social security fund.

Prices in June as compared to those in May rose by 11 percent. That means that salaries and wages increased more than prices and people could buy more goods and services. However, if we compare salaries and prices in June 1992 to those in December 1991 we see that salaries have risen 2.7 times while prices have jumped 3.4 times. The purchasing power of the ruble in Lithuania in June 1992 was lower by 11 percent than that in December 1991. In June 1992 the highest wages were paid to the people working in construction, industry and communications. As usually [as heard] the lowest salaries were paid to people engaged in agriculture—their salaries were lower by three or four times than the wages of industrial workers. The average wages of agricultural workers are almost equal to the minimal subsistence [word indistinct] wages, which is (?1,310) rubles a month.

Experts note considerable differentiation in the salaries and wages among different industries, enterprises, and positions. Since the end of 1991 high stable salaries have been observed in light and food industries and also in enterprises which use local raw materials. Workers in machine tool and metal processing industry earn much less because they lack raw materials which are very expensive into the bargain.

In machine tool industry, workers receive barely 2,000 rubles a month, while in food industry the average wages are more than 7,000 rubles. Individual workers there may receive as much as 20,000 rubles a month. Observers note that food processing enterprises have abolished all limitations on wages but, as (?Irina Zarambayta) the chief economist of the Statistics Department said, the high wages paid to the workers in the food industry are reflected in the high prices of foodstuffs.

The average family in Lithuania consists of a little more than three people. On the average, a family receives 2,914 rubles a month, which is a little more than two minimal subsistence [word indistinct]. If there is only one breadwinner in the family, the family receives 1,457 rubles per one member. In families where both parents work, the family receives on the average 2,331 rubles per head. According to the Statistics Department, 24 percent of families in Lithuania live below the minimum subsistence level.

In June, prices continued to rise including all the basic foodstuffs, (?soap) and detergents. The price of [word indistinct] and sugar rose most of all. Experts observe that the prices of industrial goods continued to rise, but at a slower rate.